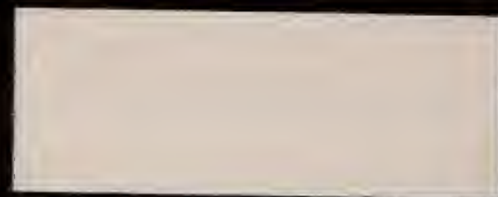




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Financial Resources  
Directory

# MASSACHUSETTS ENTERPRISE

GOVERNMENT DOCUMENTS  
COLLECTION

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**MASSACHUSETTS  
FINANCIAL RESOURCES  
DIRECTORY**

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**Commonwealth of Massachusetts**

**Michael S. Dukakis, Governor-    Joseph D. Alviani, Secretary of Economic Affairs-**

**1987**



## TABLE OF CONTENTS


I.	<u>FINANCING FOR PRIVATE SECTOR</u> .....	1
	Business and Industry Loans.....	2
	Community Development Finance Corporation.....	3
	Economic Development Administration.....	5
	Industrial Services Program.....	8
	Massachusetts Economic Stabilization Trust Fund.....	8
	Massachusetts Business Development Corporation.....	9
	Massachusetts Certified Development Corporation.....	9
	Massachusetts Capital Resources Company.....	11
	Massachusetts Government Land Bank.....	12
	Massachusetts Industrial Finance Agency.....	14
	Massachusetts Product Development Corporation.....	18
	Massachusetts Technology Development Corporation.....	19
	1% Investment Tax Credit.....	20
	Small Business Administration (SBA 504).....	21
	Tax Incentives for Rehabilitation of Older Structures.....	24
	The Thrift Fund.....	28
	Trade Adjustment Assistance for Firms.....	30
II.	<u>FARM ASSISTANCE PROGRAM</u> .....	32
	Farmers Home Administration.....	33
	Emergency Disaster Loans.....	33
	Farm Loan Guarantees.....	36
	Farm Operating Loans.....	42
	Farm Ownership Loans.....	44
	Soil and Water Loans.....	45
	Youth Project Loans.....	47
	Directory of County Offices.....	49
III.	<u>COMMUNITY BASED ECONOMIC DEVELOPMENT RESOURCES</u> .....	52
	Coastal Facilities Improvement Program (CFIP).....	53
	Coastal Zone Management.....	56
	Commercial Area Revitalization District (CARD) Plans.....	57
	Community Development Action Grant (CDAG).....	58
	Community Development Block Grant Entitlement.....	59
	Community Development Block Grant - Small Cities.....	60
	Community Economic Development Assistance Corporation.....	61
	Community Facility Loans.....	62
	Economic Development Set Aside Program.....	65
	Historic Preservation Incentives.....	67
	Leeway Law.....	69
	Massachusetts Main Street Center.....	70
	Office Of Community Economic Development.....	74
	Open Space Program.....	78
	Special Projects.....	80
	Urban Development Action Grants.....	81
	Urban Redevelopment Corporations - Chapter 121A.....	84





## TABLE OF CONTENTS

IV.	<u>TRANSPORTATION PROGRAMS</u> .....	86
	Highway Planning and Development.....	87
	Massachusetts Transit Funding.....	90
	Urban Systems Roadway Improvements.....	91
V.	<u>SEWER AND WATER RESOURCES</u> .....	92
	Drinking Water Filtration Facilities.....	93
	Leak Detection Program and Repair and Rehabilitation of Water Systems..	94
	Massachusetts Clean Lakes Program.....	95
	Meter Modernization Program.....	96
	Sewer Collection System Grants.....	97
	Wastewater Treatment Construction.....	98
VI.	<u>HOUSING PROGRAMS</u> .....	100
	Elderly And Handicapped Housing.....	101
	Elderly Housing.....	102
	Family Housing Program.....	103
	Farm Labor Housing.....	104
	GNMA Mortgage - Backed Securities Program.....	105
	Housing Abandonment.....	107
	Housing For People With Special Needs.....	108
	Low-Interest Rehabilitation Loans.....	109
	Low-Interest Rehabilitation Loans and Grants - Section 17.....	110
	Massachusetts Housing Finance Agency.....	111
	Moderate Rehabilitation.....	112
	Mortgage Insurance.....	113
	Neighborhood Reinvestment.....	114
	Property Improvement Loan Insurance.....	117
	Rental Assistance - Existing Housing - Section 8.....	122
	Rental Assistance Program - Chapter 707.....	124
	Rural Rental Housing.....	125
	Urban Homesteading.....	126
VII.	<u>LABOR FORCE TRAINING AND PLACEMENT ASSISTANCE</u> .....	128
	Bay State Skills Corporation.....	129
	Displaced Homemakers.....	131
	Training for Welfare Recipients.....	132
	Caravan for Commuters, Inc.....	134
	Office of Training and Employment Policy.....	136



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## TABLE OF CONTENTS

VII.	<u>FOUNDATIONS</u> .....	138
	Acushnet Foundation.....	139
	Bird Companies Charitable Foundation, Inc.....	139
	Cahot Corporation Foundation, Inc.....	140
	Fidelity Foundation.....	140
	Filene (Lincoln and Therese) Foundation, Inc.....	141
	Ford Foundation.....	141
	International Paper Company Foundation.....	142
	Kendall (The Henry P.) Foundation.....	142
	Lavanburg (Fred L.) Foundation.....	143
	Lilly Endowment, Inc.....	144
	Mott (Charles Stewart) Foundation.....	145
	Norman Foundation, Inc.....	146
	Rothschild (Herbert and Nannette) Fund, Inc.....	146
	Rowland Foundation, Inc.....	147
	Stearns (Artemas W.) Trust.....	147
	United States Steel Foundation, Inc.....	148
IX.	<u>GUIDE TO STATE ACRONYMS</u> .....	149



<u>PROGRAM</u>	<u>PURPOSE</u>	<u>TYPE OF FINANCING</u>	<u>SIZE OF LOAN</u>	<u>TERM OF LOAN</u>	<u>INTEREST RATE</u>
CDFC	To aid in revitalizing depressed communities.	senior debt, equity subordinated debt combinations	71% - (\$250,000 18% - \$250,000 - \$500,000	one loan (3 years 64% 3 - 7 years 27% 7 years	variable based on prime
ISP	To help transfer ownership, restructuring the business, or to implement a turn around plan where the business might otherwise fail or greatly reduce its employment.	financing of viable manufacturing companies, as well as management consulting	Average: \$50,000- \$250,000	variable	prime rate
LAND BANK	To help redevelop surplus state and federal government property and blighted property.	real estate mortgages	Range: \$76,000 - \$5.3 million	long term	below market rate
MBDC	To provide intermediate and long term debt to smaller companies when conventional loans are not available.	intermediate secured debt long term secured debt subordinated debt	Average: \$300,000 Range: \$100,000 - \$600,000	5 - 25 years	range from below market rate, fixed rates to market rates
MCDC/ SRA 504	To provide long term financing of fixed assets for small businesses.	SBA guaranteed subordinated debt (40% of total loan package)	Average: \$202,000 Range: \$50,000 - \$500,000	15 - 25 years	debenture at 2 - 3 points below prime
MCRC	To provide intermediate and long term, subordinated debt and equity to smaller firms.	30% senior debt 25% subordinated debt 36% subordinated debt with equity 9% equity	Average: \$900,000 Range: \$125,000 - \$5 million 51% under \$500,000	78% 7 years 22% 3 - 7 years	market rate
MIFA	To make flexible, tax-exempt, taxable & direct loan financing available on a state-wide basis.	senior debt & subordinated debt through IDBs loan quarantees	Median: around \$1 million Range: \$200,000 - \$10 million (no limit on taxable IDB)	7 years 10 years for equipment 15 years for real estate	65% - 90% of prime
MTDC	To increase supply of venture capital to technology-based enterprises.	equity and debt together	Range: \$100,000 - \$300,000	Average 4 - 5 years	prime plus 1 - 3 points
SMALL CITY SET ASIDE	To assist economic development in smaller cities.	loan through municipalities from the state	Maximum \$500,000 funding	long term	below market rate often 5% - 7%
THRIFT FUND	To provide financing for those economic development projects that will serve a public purpose.	real estate mortgages; working capital and equipment loans	No limits established, Average: \$200,000 - \$500,000	3-25 years	Presently 9.975% base rate. Rate subject to change. Fund charges minimum 1% origination fee.
UDAG	To stimulate economic development in deteriorating communities.	usually subordinate loans from municipalities which receive grants from HUD	Minimum needed to make project economically feasible up to 28% of cost.	Same or First mortgage	negotiated with HUD. Participation in each flow and residuals are common.



## FINANCING FOR PRIVATE SECTOR

These programs are aimed at providing expanding and emerging firms with access to the capital necessary to support their growth. The programs are federally, state and privately sponsored with a specific public purpose. Most programs are aimed at providing debt capital for fixed assets (land, buildings and equipment), although several programs are aimed at providing equity and "near-equity" capital for growth needs.





BUSINESS & INDUSTRY LOANS

Farmers Home Administration

Federal - FmHA

The Farmers Home Administration is not the direct lender in this program, but it is a guarantor of lending private sources. The agency will guarantee banks and other eligible lenders in their loan assistance to the borrower. The loans may be used for business and industrial acquisition, construction, repair, modernization, purchase of land, machinery and equipment, furniture and fixtures, start up and working capital, processing and marketing facilities and pollution control. Interest rates consistent with market rates are determined between the borrower and the private lender. Loans are repayable over a maximum of 30 years on land, building and permanent fixtures, 15 years on machinery and equipment and 7 years on working capital. A 20-30 percent equity investment is required. Generally the minimum loan size is \$500,000 and the maximum loan is \$10,000,000.

Contact:

Richard Lavoie, District Director  
FmHA  
P.O. Building, Room 173  
Woodsocket, R.I. 02895  
(401) 765-5500

(Jurisdiction includes Eastern Massachusetts and all of Rhode Island)

In Western Massachusetts:

Brian Anderson, District Director  
FmHA  
P. O. Box 455  
Sunderland, MA 01375  
(413) 665-2603  
UPS Route 116

Craig Dore, Chief of Community &  
Business Programs  
FmHA  
451 West St.  
Amherst, MA 01002  
(413) 253-3471

NOTE: All prospective borrowers will deal with Craig Dore eventually. District Directors can give minimal information.

# COMMUNITY DEVELOPMENT FINANCE CORPORATION

## STATE-CDFC

The Community Development Finance Corporation (CDFC) is a public corporation that invests money in business enterprises and real estate developments sponsored by community development corporations (CDCs) in economically depressed areas of Massachusetts. CDFC offers three investment programs: the Venture Capital Program, the Small Loan Guarantee Program and the Community Development Program.

The Venture Capital Program provides debt and equity financing to small, viable businesses for working capital. The preferred investment range is \$75,000 to \$300,000, with CDFC providing up to one-third of the total financing required. The terms of each investment are negotiated individually with CDFC.

The Small Loan Guarantee Program extends CDFC's financing capabilities to businesses requiring smaller amounts of capital (usually under \$50,000). In this program, CDFC loans the CDC funds to provide the cash collateral to secure a guarantee of 50%, or up to \$25,000, of an approved bank loan to a small business.

Through these programs, CDFC's investments support businesses that provide significant public benefits to the local community. To qualify, businesses should: 1) increase full-time, primary employment, to benefit residents of the CDC target area; 2) show that they are unable to meet their capital needs because of unavailability or high interest rates from traditional sources; and 3) have a reasonable expectation of being successful.

The Community Development Program offers flexible, short-term financing to CDC-sponsored residential, commercial or industrial real estate projects. CDFC may provide 20%, or up to \$250,000, for financing specific, recoverable expenses or as one of the sources of CDC equity in a real estate project. This program assists CDCs to develop and construct affordable housing and develop commercial and industrial property that provides jobs, goods and services to the community and contributes to revitalizing the CDC area economy.

Financing requests originate with the local CDC, and are submitted to CDFC after a working partnership has been established between the sponsoring CDC and an interested business. Application forms and detailed information on CDFC's programs are available on request.

Contact:

Charles T. Griqsby, President  
Community Development Finance Corporation  
Suite 600  
131 State Street  
Boston, MA 02109  
(617) 742-0366



## ECONOMIC DEVELOPMENT ADMINISTRATION

### FEDERAL-EDA

The Economic Development Administration (EDA) has a wide variety of programs aimed at encouraging economic development including public works programs, business loans, and economic planning grants. Four of the major programs and their current regulations are described below:

#### Title I Public Works and Development Facilities:

States, municipalities, special authorities, and public or private non-profit organizations are eligible to apply for grants for the acquisition, development, or expansion of public works facilities. Included are: water and sewer systems, site improvements for industrial parks, factories and port facilities. These funds cannot be used for the acquisition of land. Grants are for 50% to 80% of project cost depending on location. In order to apply for grants, an area must have an approved Overall Economic Development Program (OEDP) on file with EDA.

#### Title II Business Development Loans:

Any public or private entity including non-profit corporations, sole proprietorships and partnerships are eligible to apply for direct loans, to be used for the acquisition of fixed assets (land, building, equipment, machinery); land preparation; building rehabilitation; and working capital for industrial or commercial enterprises. Loans are available for up to 65% of project cost with up to 25 years to repay for fixed asset loans, and 5 years for working capital loans. Interest rates are based on the current U.S.

Treasury borrowing rates. EDA also guarantees up to 90% of the unpaid balance of loans and up to 90% of rental payments on guaranteed leases; interest rates on guaranteed loans are at prevailing market rates.

All loans must be consistent with the area's Overall Economic Development Program and be approved by a state or local economic development agency. In Massachusetts, this function is normally performed by the Governor's Development Office.

#### Title III Economic Development Planning Grants:

Government entities and organizations engaged in planning economic development activities can apply for direct grants to fund planning, staffing and administrative expenses related to economic development planning projects. A 25% non-federal match is required. Grants are for one year and are ordinarily renewed.

#### Supplemental and Basic Grants Program (Section 304):

The 304 program provides states (which must provide a 25% match) with monies to initiate and enhance eligible economic development projects. The types of eligible projects includes: grants for public works and development facilities; loans for public works and development facilities; business and industrial loans and loan guarantees; grants for technical assistance, research, and economic development planning; and grants for special economic development and adjustment assistance. Projects must conform to the state's economic development goals and policies.

WHO APPLIES:

The EDA programs in general, the following are eligible to apply: the authorities and quasi-public corporations created by the state or by municipalities; non-profit organizations representing any redevelopment area or part thereof; and private profit-making entities.

CONTACT:

William Fitzhenry  
Economic Development Administration  
441 Stuart Street  
Boston, MA 02116  
(617) 223-6468



INDUSTRIAL SERVICES PROGRAM

MASSACHUSETTS ECONOMIC STABILIZATION TRUST FUND

STATE - EST

The Economic Stabilization Trust provides funding for companies in mature industries which face permanent layoffs of plant closings. Funds are in the form of conventional loans at favorable rates of interest and with very flexible terms to suit the companys' needs. Loans are made when financing from conventional lenders is insufficient or unobtainable. While collateral protection is preferred, unsecured loans can be arranged.

PURPOSE OF ASSISTANCE:

The Economic Stablization Trust's purpose is to preserve as many jobs as possible and may be used for a transfer of ownership, restructuring the business or to implement a turn around plan where the business might otherwise fail or greatly reduce its employment. Also appropriate are employee buyouts.

WHO APPLIES:

Any Massachusetts company in a mature industry facing permanent layoffs or plant closing which wishes consulting or financial assistance. Company must be based in Massachusetts and plan to remain in state throughout term of assistance.

CONTACT:

Patricia Hanratty  
Executive Director, Industrial Services Program  
1 Ashburton Place - Room 1413  
Boston, MA 02108  
(617) 727-8158

## MASSACHUSETTS BUSINESS DEVELOPMENT CORPORATION

### MBDC

The Massachusetts Business Development Corporation (MBDC) is a private corporation under state charter which provides loans to private for-profit and non-profit firms which are unable to obtain financing from conventional lenders. Loans may be used for purchase or construction of fixed business assets (land, plant, equipment) and for working capital loans. These loans must also expand employment opportunities in the state and make economic sense. Loan terms are similar to conventional loans although MBDC allows for floating interest rates and longer terms (as much as 20 to 25 years) and can provide up to 100% financing, depending on need. If it is warranted, MBDC will help secure an FMHA or SBA guarantee for the loan.

### MCDC

Massachusetts Business Development Corporation (MBDC) has created Massachusetts Certified Development Corporation (MCDC) for the purpose of providing expansion financing for Massachusetts businesses. MCDC is a statewide certified development company licensed under the U.S. Small Business Administration's Section 504 Program. Management is provided by MBDC's staff on a contract basis.

MBDC will become actively involved, if needed, both in the primary financing with a company's bank and on a consulting basis with MCDC to process applications under the SBA 504 program. In this manner MBDC will frequently be able to offer "one stop financing". (See description of SBA 504 program under Small Business Administration.)

WHO APPLIES:

Private for-profit or non-profit firms which are unable to obtain financing from conventional lenders.

CONTACT:

Kenneth Smith, President  
Massachusetts Business Development Corporation  
One Liberty Square, 9th Floor  
Boston, MA 02109  
(617) 350-8877



MASSACHUSETTS CAPITAL RESOURCE COMPANY

STATE-MCRC

The Massachusetts Capital Resource Company became operative in 1978. It was formed by nine of the state's domestic (that is, in-state) life insurance companies to provide unsecured loans -- in the form of debt and equity financing -- to small and medium sized firms which are unable to secure comparable financing from other sources. The maximum loan amount for any one loan is \$5 million with maturities of not less than five years.

An investment committee made up of members from the life insurance companies and a Gubernatorial appointee act on specific investments.

An investment pool of \$100 million was established in 1978 and out of this, approximately \$20 million is made available each year for investments.

Who Applies:

Small and medium sized firms unable to secure conventional financing. Those not eligible are real estate developers, financial intermediaries, retailers, construction contractors, public utility companies, and firms which have a Moody's bond rating of Baa or higher.

Contact:

William J. Torpey, President  
Massachusetts Capital Resource Company  
545 Boylston Street  
Suite 1100  
Boston, MA 02116  
(617) 536-3900

## MASSACHUSETTS GOVERNMENT LAND BANK

### STATE

The Land Bank is a quasi-public state that has offered real estate development and finance assistance for projects with strong public benefits since 1975. The Land Bank generally offers below-market mortgage financing to qualifying public-purpose development projects lacking sufficient public/private investment.

### WHAT DOES THE LAND BANK OFFER?

- Permanent mortgages generally in the \$200,000 to \$2,000,000 range;
- Base rate set below market rate, with 20 to 25 year amortization schedules (actual rate and terms vary with project need);

### TYPES OF PROJECTS

- Industrial projects that increase jobs in areas of high unemployment;
- Housing projects that demonstrate replicable methods of providing lower income housing, focusing on limited equity cooperatives.

### WHO CAN APPLY?

- Private developers, cities and towns, non-profit organizations.

## ELIGIBILITY FACTORS

- Distressed or blighted property;
- Clear need for public financing;
- Financially feasible;
- Leverages additional financing sources.

## CONTACT:

Kathleen Hogan, Director of Projects  
Massachusetts Government Land Bank  
One Court Street - Suite 200  
Boston, Massachusetts 02108  
(617) 727-8257



## MASSACHUSETTS INDUSTRIAL FINANCE AGENCY

### STATE-MIFA

The Massachusetts Industrial Finance Agency (MIFA) is an independent public agency established to stimulate private investment and job creation through a variety of financing incentives. MIFA provides a link between public and private sectors, acting as the state's investment banker for Massachusetts's growing businesses.

### THE TAXABLE INDUSTRIAL DEVELOPMENT BOND

Taxable IDBs are available for a wide range of industrial and commercial capital expansions including manufacturing, warehouse and distribution, and research and development projects. Bond proceeds can be used for the acquisition, construction, or renovation of buildings and land, or for the purchase of equipment. Taxable IDBs can also be used to refinance existing asset-based debt.

While these bonds are subject to federal income taxes, several features create attractive and competitive financing terms, including: 1) MIFA has the unique ability to issue securities which are exempt from the state income tax; 2) the bonds are not subject to complex IRS restrictions placed on tax-exempt IDBs; 3) taxable IDBs can be sold in public and private markets normally reserved for larger companies; 4) taxable IDBs can be structured to accommodate specific amortization and repayment terms; and 5) there are no size restrictions.

### TAX-EXEMPT INDUSTRIAL DEVELOPMENT BOND PROGRAM

Tax-exempt IDBs can be used by manufacturers planning to construct new facilities, expand or renovate existing facilities, or purchase new equipment. Qualified not-for-profit organizations are also eligible. The federal tax laws have reduced the availability of tax-exempt financing. The IRS Code definition of "manufacturing" has been tightened and so bond proceeds must be used for an expansion project where "tangible" products are being produced. Commercial projects and warehouse and distribution facilities are no longer eligible.

### GUARANTEED LOAN PROGRAM

The Guaranteed Loan Program (GLP) provides access to the public credit market for smaller, growing companies in Massachusetts by pooling either tax-exempt or taxable IDBs into one large bond issue. Pooling several bonds reduces issuance cost for each individual borrower and creates the size necessary to attract investors. The GLP involves a financial structure - to enhance the credit of unrated companies and guarantee purchasers that the bonds will be repaid.

### MORTGAGE INSURANCE PROGRAM

The Mortgage Insurance Program (MIP) helps smaller business obtain the full amount of expansion capital necessary to complete growth plans. With MIFA insuring a portion of a loan, businesses can borrow more of a project's cost; lenders can increase loan amounts without increasing their net exposure. MIFA will insure conventional loans as well as IDB financing. Insured amounts range from 10% to 40% of the loan, with a ceiling of \$500,00 for real estate and \$250,000 for equipment.



### CURRENT REFUNDING PROGRAM

The Current Refunding Program enables those past manufacturing and commercial tax-exempt IDB recipients affected by "gross-up" clauses to refund their previous bond through a new tax-exempt issue. "Gross-up" clauses were triggered by the lower corporate tax rates in the new federal tax code. Bonds without gross-up clauses are also eligible for refunding. By refunding, companies can restructure debt to take advantage of changing markets.

### Direct Loans

### SEAFOOD LOAN FUND

MIFA's Seafood Loan Fund provides low rate, fixed rate financing for companies engaged in the seafood processing industry. The Fund is targeted to four areas of innovation: 1) utilization of fish by-products; 2) improved product quality; 3) surimi production; and 4) improved distribution and marketing. Direct loans of up \$200,000 are available to finance innovative or modernized equipment and technologies to enhance the competitiveness of the Commonwealth's seafood industry.

### CHILD CARE FACILITIES LOAN FUND

The Child Care Facilities Loan Fund provides direct loans of up \$250,000 to companies, developers, consortia of companies and non-profit organizations to be used for acquisition, renovation, construction, and permanent-installed equipment for on-site facilities. Through this program, companies can obtain the low cost capital necessary to provide employees with convenient child care. MIFA's Child Care Facilities Loan Fund is the largest such fund in the country.

### THRIFT FUND

MIFA is one of four quasi-public authorities designed to originate, service and monitor direct loans from the thrift institutions' sponsored Thrift Fund, a \$100 million pool of capital specifically designed to serve businesses that cannot finance conventionally. Priority is given to projects that create significant number of new jobs in areas of high unemployment. MIFA handles all Thrift Fund loan requests in amounts over \$250,000 for plant expansions and equipment purchases.

### WHO APPLIES

Requirements for MIFA's financing alternatives vary; therefore, companies contemplating the use of MIFA financing are urged to contact a MIFA representative Directly to determine eligibility before committing to a project.

### CONTACT

Brian T. Carty, Executive Director  
Massachusetts Industrial Finance Agency  
400 Atlantic Avenue  
Boston, MA 02210  
(617) 451--2477  
1-800-MIFACTS

MASSACHUSETTS PRODUCT DEVELOPMENT CORPORATION

STATE - MPDC

The MPDC is a quasi-public corporation designed to preserve and create employment in the industrial sector by stimulating new product and new process development among mature industries. It has \$1,500,000 in capital funds for fiscal year 1988.

MPDC provides financial support in the form of an investment in exchange for royalties in the product. If the product does not succeed, the company is not saddled with debt. If the product is a success, the MPDC shares in that success through its royalty income. While the MPDC is not permitted to finance research and development, its mandate includes the provision of technical assistance where needed.

WHO APPLIES:

Any Company who:

1. Has a prototype or clearly defined and developed product concept.
2. Shows that reasonable funding is not available through private financial channels.
3. Plans to produce the product in Massachusetts and can demonstrate that employment will be created or maintained by its production.
4. Agrees, as a condition of financial aid, to sign the voluntary social compact.
5. Presents a business plan with a reasonable chance of commercial success.

Contact:

Samuel Leiken, President  
Massachusetts Product Development Corporation  
171 Milk Street  
Boston, MA 02109  
(617) 727-1133



MASSACHUSETTS TECHNOLOGY DEVELOPMENT CORPORATION

STATE-MTDC

The Massachusetts Technology Development Corporation (MTDC) is a publicly-funded but independently operated venture capital organization. The purpose of MTDC is to provide working capital to new and expanding high technology companies which have the capacity to generate significant employment growth in Massachusetts as well as other public benefits.

MTDC makes both debt and equity investments, usually in the form of a direct purchase of common or preferred stock accompanied by a loan on very favorable terms. All MTDC investments are made as part of a joint venture with conventional private sector investors. MTDC assists companies to locate compatible private sector investors for such joint ventures.

MTDC will invest a minimum of \$100,000 and a maximum of \$300,000 in a first-round institutional financing. Generally, the private sector investors who are MTDC's partners will invest two to four times the amount of capital which MTDC provides.

MTDC also assists companies through its Financial Packaging Program and its Management Assistance Program. These programs provide "investment packaging" assistance by helping companies locate appropriate private sector financing, without any investment of MTDC capital.

Who Applies:

Any business can apply by submitting a business plan with a brief cover letter indicating how much capital the company would like MTDC to invest.

Contact:

John Hodgman, President  
MTDC  
84 State Street  
Suite 500  
Boston, MA 02109  
(617) 723-4920

## 1% INVESTMENT TAX CREDIT

### STATE

There is a 1% credit against state excise tax liability on the cost or other federal basis of depreciable real and tangible property purchased during the year it is used and situated in Massachusetts. Also covered is tangible property rented or leased from local and regional business development corporations. In computing the credit, the cost of the property must be reduced by the amount of any federal credit taken. Unused portions of the tax credit may be carried forward up to 3 years, or indefinitely.

Manufacturing companies, agricultural and commercial fishing enterprises and those corporations primarily engaged in research and development are eligible. Both foreign and domestic corporations doing business in Massachusetts may benefit. Each business must apply to the Revenue Department for the 1% investment credit.

Total credits taken by a corporation in a given year cannot exceed 50% of excise liability. Credits not allowed because of this limitation may be carried forward indefinitely. Also, there is a statutory minimum excise tax of \$228.00.

### WHO APPLIES:

Corporations engaged in manufacturing, research and development, commercial fishing or agricultural enterprise.

### CONTACT:

Massachusetts Department of Revenue  
Taxpayers Assistance Bureau  
Corporate Excise Tax  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-4271



## SMALL BUSINESS ADMINISTRATION

### FEDERAL-SBA

The federal Small Business Administration (SBA) administers various programs which provide loans and management assistance to small businesses. Some of the agency's most important programs include the following:

**Small Business Loan Guarantee and Loan Program (Section 7A):** Small manufacturers, wholesalers, service enterprises, farmers, and other businesses can receive an SBA guarantee for up to 90% (\$500,000 maximum) of a loan made by a private lender. Under some circumstances, a direct loan of up to \$150,000 can be arranged. Eligible businesses are independently owned and operated, not dominant in their field of business, and fall within SBA size guidelines (these vary according to type of business activity).

#### Certified Development Company Loans (Section 504):

The SBA 504 is an alternative form of expansion financing. Specifically, the program has been created to provide second mortgage financing at low cost for small business concerns acquiring real property and equipment when such accommodation is not available from conventional sources.

The loan proceeds may be applied to:

#### **Fixed Assets:**

- . purchase of land and/or buildings
- . machinery and equipment
- . construction
- . renovations/leasehold improvements
- . related costs (legal, architectural, etc.)

The financing package is a combination of two loans involving Massachusetts Certified Development Corporation and a participating bank. The typical structure of the financing, while somewhat flexible, is usually broken down as follows:

50%--Participating bank (of applicant's choice) at bank term and bank rate. (MBDC may be used as the primary lender in participation with the applicant's bank.)

40%--MCDC debenture, guaranteed by SBA, generally at Treasury Bond rates (average 2-3 points below prime).

10%--Equity injection by applicant.

Eligible businesses, under the Small Business Administration's small business classification, are defined as for-profit companies generating active (not investment) income whose total net worth is less than \$6 million. The average net profit of those companies, after taxes, must be less than \$2 million per year for the last 2 years.

Small Business Investment Companies (SBICs) and Minority Enterprise Small Business Investment Companies (MESBIC's)

SBICs and MESBICs are capital corporations formed to encourage private sector investment in small businesses. MESBICs focus on financing minority-owned firms. Equity funds, long-term loans, and management assistance are provided for start-ups, expansions or acquisitions, particularly to innovative ventures



developing new products or markets. MESBICs and SBICs must be chartered as corporations or as limited partnerships with a corporate general partner. Both must have adequate capital (usually \$500,000) to provide reasonable assurance that they can be operated actively and profitably.

CONTACT:

Small Business Administration      or  
Boston District Office  
10 Causeway Street  
2nd Floor Room 265  
Boston, MA 02222-1093

Richard F. Tomeo, Deputy Director  
(617) 223-3204  
Marie Record, Chief of Finance (SBA 504)  
(617) 565-5581

Robert Hull (SMICs and MESBICs)  
Small Business Administration  
Suite 250  
1020 15th Street N.W.  
Washington, D.C. 20417  
(202) 653-6930

## TAX INCENTIVES FOR REHABILITATION OF OLDER STRUCTURES

### MASSACHUSETTS HISTORICAL COMMISSION - STATE

Tax incentives for rehabilitation of historic and other old buildings were enhanced by the Economic Recovery Tax Act of 1981 (ERTA); and were recently changed by the Tax Reform Act of 1986.

If a structure is a "certified historic structure", the rehabilitation investment tax credit, normally a 10% investment tax credit (ITC), is increased to 20% of the expenditures on the structure. Because of the dollar for dollar savings in Federal income tax due, the ITC is a potent incentive and shelter for owners and developers with sufficient tax liability.

The three-tier investment tax credit in the 1981 Tax Act has been replaced by a two-tier credit:-

Tier #1 is a 20% rehabilitation investment tax credit (RITC) for certified rehabilitation of certified historic structures.

Tier #2 is a 10% credit for rehabilitation of non-historic buildings constructed before 1936

The 10% credit is limited to rehabilitation expenditures on buildings to be used for non-residential purposes, but the 20% RITC is available for both residential and non-residential buildings.

The RIC and CRIC are available only if the taxpayer elects to use the straight-line method of cost recovery with respect to rehabilitation expenditures. The depreciable basis of qualified expenditures must be reduced by 100% of the RITC.

There are no procedures for obtaining predeterminations or approvals from IRS as to the meeting of requirements. If the requirements have been met the plans are executed as proposed. Taxpayers must accordingly be careful to establish compliance with requirements prior to starting rehabilitation.

The RITC and 10% credit are only available in respect to a building that has been "substantially rehabilitated". A building is considered "substantially rehabilitated" when "qualified rehabilitation expenditures during a 24-month period (or 60-month period for a pre-approved phased rehabilitation) must exceed the greater of the adjusted basis of the building or \$5,000. The adjusted basis will generally be equal to its cost of acquisition (but not the land) plus improvements less any permitted depreciation or cost recovery.

If a lessee is to qualify for RIC or CRIC the term of the lease would have to be at least 27.5 or 31.5 years, (as applicable) from the completion of the rehabilitation.

Under the Tax Reform Act, rental real estate is considered a "passive" income, regardless of the taxpayer's material participation. For further information on changes in Passive Losses and Credits", contact the Massachusetts Historical Commission.



"Soft costs" include items like appraisal fees, architectural fees, title and mortgage insurance fees, legal fees, development fees and investment advisory fees. When these fees are incurred in connection with acquisition or development of the real property, they are properly added to the cost basis of the property.

A certified historic structure includes "any building listed in the National Register of Historic Places", or "is located in a registered historic district and contribute to the significance of such district". National Park Service regulations, 26 CFR Part 67, provide standards for certified rehabilitation, and there is a procedure to obtain a preliminary certification based upon both a State Historic Preservation Officer (SHPO) and National Park Service's review of the rehabilitation plans and specifications.

Obtaining preliminary approval will facilitate the sale of interests in the project to investors and will expedite final certification of rehabilitation upon its completion.

The National Park Service must issue a final certification of the rehabilitation for the RITC to be allowed.

The RITC and 10% credit are intended to revitalize urban areas by functioning as incentives to private investment in such areas. The owner, developer, and investor should continuously evaluate all necessary requirements before commencing rehabilitation.



WHO APPLIES:

The owner, often with the assistance of a preservation consultant, applies for certification for the historic rehabilitation tax credit. This application must be submitted in duplicate to The Massachusetts Historical Commission, which reviews it and forwards it with comments to The National Parks Service, a division of Interior.

CONTACT:

Valerie Talmage, Director  
Massachusetts Historical Commission  
80 Boylston Street, Boston, MA 02116  
(617) 727-8470

## THE THRIFT FUND

### Thrift Institutions Fund for Economic Development

#### State

The Thrift Institutions Fund for Economic Development was established as a part of Chapter 485 of the Acts of 1984, which granted savings banks, cooperative banks, and savings and loan associations, tax parity with commercial banks. In return for tax parity, the more than 270 "thrift institutions" throughout the Commonwealth contribute to a centrally administrated \$100 million lending pool (The Thrift Fund) which will be invested in economic development/job generating projects over the ten year life of the fund.

The fund was organized in July of 1985 with a 15 member Board of Directors representing the thrift institutions, the state government, and the public at large. As of July 1987, the Thrift Fund's portfolio contained 48 active loan commitments totalling over \$33 million. 65% of these loans have closed thus far. These loans have leveraged additional multi-million dollar investments in the communities involved and will create or retain thousands of jobs as well as serve to broaden local tax bases.

The Thrift fund has entered interagency agreements with MIFA, LAND BANK, CDFC and MBDC to originate and service loans. Individual "thrift" institutions may also originate and service loans in participation with the Thrift Fund.

### WHO APPLIES:

Funding is available for: industrial plant and equipment loans; working capital; and commercial and/or residential projects. Priority is given to: job intensive projects in areas of higher than average unemployment, supporting mature industries; assisting small business; and projects occurring in UDAG eligible communities and/or CARD districts. There is no minimum or maximum loan amount established, although very small loans may be impractical for Thrift Fund involvement. Average loan size to date has been in the \$200,000-\$500,000 range.

Potential applicants should view the Thrift Fund as a supplement to, rather than a substitute for, conventional financing and other public assistance programs. Standard reasonable credit-worthiness criteria established by the Board of Directors applies to all loan considerations.

Private enterprise may apply directly to the Thrift Fund. Local governments and public agencies are encouraged to refer worthwhile potential projects.

### WHO TO CONTACT:

Paul H. Rupp, Executive Director  
The Thrift Fund  
50 Congress Street, Suite 515  
Boston, MA 02209  
(617) 227-0404



## TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

### FEDERAL-ITA

The New England Trade Adjustment Assistance Center, Inc., (NETAAC) provides technical assistance aimed at helping Massachusetts manufacturers compete more effectively with imports. Under this program, which is administered by the U.S. Department of Commerce, eligible firms may receive consulting services in the following types of projects: market studies, project diversification, sales organization development or improvement, creative services for promotional literature; plant layout and workflow improvements, worker incentive systems, energy surveys; development of cost systems, loan preparation assistance; MIS software development and general strategic planning. The federal government may pay for up to 75% of the cost of such projects.

#### WHO APPLIES:

Eligible firms include manufacturers who have suffered a decline in sales or production and a decline, or impending decline, in employment as a result of increasing import competition.

#### CONTACT:

Richard McLaughlin, Executive Director  
New England Trade Adjustment Assistance Center  
120 Boylston Street  
Boston, MA 02116  
(617) 542-2395

(continued)



It should be noted that there is a parallel program to provide special income protection to workers who lose their jobs or whose hours of work are reduced as a result of increased foreign imports. This program is administered by the Department of Labor. Once the job type and individual are designated as eligible, weekly compensation in addition to the state's unemployment insurance payment is paid. Seventy percent of the worker's previous wage, or the national average weekly manufacturing wage, whichever is greater, will be paid for up to 52 weeks. Counselling and some financial assistance for retraining, job search, and relocation are also available under certain circumstances. For more information on this program (for workers), contact your local Massachusetts Division of Employment Security Office.

## FARM ASSISTANCE PROGRAMS

The following programs are designed to assist farmers in rural areas. This assistance is in the form of loans for a variety of purposes: emergency disaster, operating, farm ownership, youth loans, soil, water and loan guarantees.

Although the eligibility and purpose of each program varies, the essence of these programs is to assist in the maintenance and growth of the family farm in rural America.



FARMERS HOME ADMINISTRATION

U.S. Department of Agriculture

EMERGENCY DISASTER LOANS  
Federal - FmHA

The Farmers Home Administration (FmHA) can make emergency (EM) loans in counties where physical property damage or severe production losses occur as a result of a natural disaster that substantially affects farming, ranching, or aquaculture operations. EM loans will be made available to applicants having qualifying physical and/or production losses in a county named by FEMA as eligible for Federal assistance under a major disaster or emergency declaration by the President or under a natural disaster determination by the Secretary of Agriculture and to applicants having qualifying severe physical property losses when, prior to action by the President or the Secretary, the FmHA Administrator has determined that such losses have occurred as a result of a natural disaster. Farmers, ranchers or aquaculture operators in counties adjacent to such named counties may also apply for EM loans.

A natural disaster determination by the Secretary of Agriculture is initiated by a formal written request by a Governor or Indian Tribal Council. However, no such request is needed to initiate the action of the FmHA Administrator.

WHO CAN GET A LOAN?

To qualify for an EM loan an applicant must:

1. Be an established farm operator (owner or tenant), who was operating and managing a farm at the time of the disaster in a county which was named as eligible for EM loans. An applicant can be farming as an individual, cooperative, corporation, partnership, or joint operation.



2. Be a citizen of the United States or a legal resident alien. If an application is a cooperative, corporation or partnership, or joint operation, more than 50 percent interest in the entity must be owned by U.S. citizens or a legal resident aliens, and the entity must be primarily engaged in farming.
3. Have the industry, ability, training or experience necessary to repay the loan, and show ability to repay it.
4. Provide evidence of having suffered a qualifying physical loss, or a production loss of at least 30 percent of combinations of similar type crops. Except, applicants are precluded from receiving loans based on crop production losses that could have been insured by comprehensive crop insurance programs sponsored by the Federal Crop Insurance Corporation, when such crops are planted or harvested after December 31, 1986.
5. Be unable to obtain suitable credit from a source other than FmHA.
6. Provide adequate security.

All applications will be considered without regard to age, race, color, creed, sex, marital status, handicap or national origin.

What Security is Required: Collateral for EM loans must be of such a nature that repayment of the loan is reasonably assured. Consideration will be given to the applicant's managerial ability, soundness of operation, and projected earnings. The collateral will consist of the best lien obtainable on all assets owned by an applicant who is an individual. In the case of an entity applicant, the best lien will be taken on all assets owned by the entity, and all assets owned by each individual having an ownership interest in the entity. If the usual collateral is not available as a result of the disaster, exceptions to the security requirements may be made, provided certain other conditions can be met. In such cases, the borrower's repayment ability may also be considered.

Whenever any FmHA Em loan is secured by crops, comprehensive crop insurance is required for at least the minimum level of coverage for any crops eligible for programs sponsored by the Federal Crop Insurance Corporation. Effective for crops planted and harvested after December 31, 1986, applicants for EM loans had to have comprehensive crop insurance at the time of the occurrence of a disaster, if it was available. If crop insurance was available, but not in force at the time of the disaster, FmHA will not accept applications from such applicants.

Is There A Termination Date For Filing?: Yes. Applicants for EM loans must be filed within 8 months of the date of the disaster decision by the President, Secretary, or Administrator.

Where Are Applications For Loans Received?: Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture. Application information may also be by writing the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.



UNITED STATES DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM LOAN GUARANTEES  
FEDERAL - FmHA

The Farmers Home Administration (FmHA) may guarantee loans made by eligible agricultural lenders to family farmers and ranchers for farm ownership, improvements and operating purposes.

Guaranteed loans are made and serviced by legally organized private lending institutions such as commercial banks, Federal Land Banks, Production Credit Associations, insurance companies, and savings and loan associations. FmHA provides the lender with a guarantee not to exceed 90 percent of any loss of principal and interest on a loan. The use of an FmHA guarantee may enable a private lender to serve, or continue to serve, a farmer who cannot be served on a wholly conventional basis due to risk factors.

All applications for FmHA guaranteed loans are treated with equal consideration, without regard to sex, age, race, color, religion, handicap or national origin or marital status.

WHO CAN BORROW?

Individuals, partnerships, joint operators, legal resident aliens, corporations and cooperatives that do, or will, conduct family-size farming or ranching operations. A "family farm" is considered to be one that a family can operate and manage itself. More than 50-percent interest in the corporations, joint operations, partnerships and cooperatives must be owned by U.S. citizens or legal resident aliens, and the entity must be managed by a U.S. citizen or legal resident alien.

## HOW CAN LOANS BE USED?

### FARM OWNERSHIP LOANS

To buy, improve or enlarge farms. Uses may include construction, improvement or repair of farm homes and service buildings; improvement of on-farm water supplies; installation to pollution control or energy conservation measures; refinancing debts; clearing or improving farmland; establishing or improving forests; providing for production of fish under controlled conditions; establishing non-agricultural enterprises that help farmers supplement their farm income.

### OPERATING LOANS

To pay for items needed for farm operations, including livestock, poultry, farm and home equipment, feed, seed, fertilizer, fuel, chemicals, hail and other crop insurance, family living expenses, minor building improvements, water system development, hired labor, pollution abatement and methods of operation to comply with Occupations Safety and Health Act.

### SOIL AND WATER

To develop, conserve or make proper use of land and water resources, including development of wells and other sources of water, irrigation systems, drainage improvements, and improvements associated with forestry, fish farming, land protection or pollution control.



### WHAT ARE THE INTEREST RATES AND TERMS?

The interest rate on a guaranteed loan is negotiated between lender and borrower. It cannot exceed the rate given the lender's average farmer customers by more than 1 percent.

Terms for repayment vary according to loan purpose and nature of security. Farm ownership and other real estate loans may run for up to 40 years. Chattel loans for operating purposes or lines of credit may range from 1 to 7 years, and in some cases for 15 additional years.

### WHAT ARE THE LOAN LIMITS?

Real estate loans (farm ownership, soil and water) -- \$300,000. Production (chattel) loans --\$400,000.

### IS THIS A LENDER'S OR AN FmHA LOAN?

This is the lender's loan. The loan is made and serviced to conclusion by the lender. If everything works well and the borrower is able to repay the loan, no taxpayer's money will be used except for administrative expenses. If a loan fails, FmHA will reimburse the lender with Federal funds under terms and conditions specified in the guarantee.

### WHAT ARE THE TYPES OF GUARANTEES?

There are two types of guarantee commitments, the Loan Note Guarantee and the Contract of Guarantee. The Loan Note Guarantee is the signed commitment issued by FmHA setting forth the terms and conditions of the guarantee of a fixed loan amount. The Loan Note Guarantee may be used as the instrument of guarantee in all loan programs and is readily marketable by the lender in the secondary market. The Contract of Guarantee (line of credit) is used for specific operating loan (OL) purposes only, and may not be sold in the secondary market. Holders (investors) of "Loan Note Guarantees" are protected by the full faith and credit of the United States Government.

### WHAT ABOUT MARKETING FIXED AMOUNT LOANS?

For the guaranteed portion, the lender has the following three options:

1.        **ASSIGNMENT OPTION:** The lender may assign, using the FmHA assignment agreement, all or part of the guaranteed portion of the loan to one or more holders. If the assignment and option is used, the holder is protected by the full faith and credit of the United States Government on the guaranteed portion of the loan.
2.        **MULTI-NOTE SYSTEM:** When this option is selected by the lender, upon disposition the holder will receive one of the borrower's executed notes and a Loan Note Guarantee attached to the borrower's note. If the multi-note system is used, the holder is protected by the full faith and credit of the United States Government on the guaranteed portion of the loan.
3.        **PARTICIPATION OPTION:** The lender may sell participations in the guaranteed portion of the loan in accordance with its regular procedures, but must retain the unguaranteed portion of the loan.

## WHAT HAPPENS AFTER A LENDER SELLS, PARTICIPATES, OR ASSIGNS PART OR ALL OF A LOAN?

The lender contracts with FmHA (by executing a lender's agreement) to collect principal and interest payments and service the loan. Servicing includes keeping in touch with the borrower in order to be aware of any potential problems such as late payment, etc., and meeting with the borrower if a problem does occur.

The local lender is responsible for distribution of principal and interest payments to holder(s), assignee(s) or participant(s), as appropriate. The local lender may deduct a servicing fee agreed upon in advance between the lender and the holder(s).

## DELINQUENCY AND DEFAULT

The lender must notify FmHA when a borrower is 30 days overdue on a payment and is unlikely to bring the account current within 60 days, or if a loan otherwise is a problem.

The lender is encouraged to work with the borrower to resolve any problems. In case of default, any holder(s) will be paid in full. The holder(s) must first request payment from the lender. If the lender does not make payment in full, FmHA will. If the loan cannot be reconstituted, the lender will ordinarily be responsible for liquidating the account in a manner agreed upon by FmHA.



## CAN AN APPLICANT OBTAIN MORE THAN ONE GUARANTEED LOAN?

More than one loan guarantee can be executed with the same or different lenders for an applicant provided each loan is secured with separate identifiable collateral and limited to a combined total of \$400,000 for an operating loan and \$300,000 for an ownership loan. The amount of loans guaranteed for an individual who also is a principal partner in a partnership, stockholder in a corporation, or member of a joint partnership, corporation, joint operation or cooperative can receive to the difference between the amount received by the individual and the maximum amount. Applicants who are principal members of a partnership, corporation, joint operation or cooperative which has received a guaranteed loan, will be limited to the difference between the amount received by the entity and the maximum amount.

## CONTACT:

Information on procedures by which loans are guaranteed may be obtained by lenders or prospective borrowers from FmHA county offices (usually located in county seats, listed in telephone directories under U.S. Government), or at the end of this section: Farm Assistance Programs. Farmers may apply directly to private lenders or make preliminary inquiry through FmHA county offices. Applications ultimately are received and processed by lender institutions subject to FmHA approval.



U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM OPERATING LOANS  
Federal - FmHA

PURPOSE:

To meet operating expenses, including feed, seed, livestock, fertilizer, farm and home equipment, living expenses, insurance, medical care, hired labor; to finance recreational and nonagricultural enterprises to add to family income; to pay for mandated safety and pollution control changes.

WHAT ARE THE TERMS?

Interest rates for insured loans vary according to cost of money to the Government. A reduced rate is available to limited-resource borrowers. Interest rates for guaranteed loans are negotiated between the borrower and the lender.

Repayment is scheduled according to the borrower's ability to repay, and the purpose for which the loan is made. Funds advanced for other purposes may be repaid in from 1 to 7 years. In some cases, an additional seven years may be permitted.

The limit is \$200,000 for an insured farm operating loan, \$400,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM OWNERSHIP LOANS

Federal - FmHA

PURPOSE:

To buy land; refinance debts; construct, repair or improve buildings; improve farmland; develop water facilities; and establish farm-based business enterprises to supplement farming income.

WHAT ARE THE TERMS?

Interest rates for insured loans vary according to the cost of money to the Government.. Reduced rates are available to limited resource borrowers.

Interest rates for guaranteed loans are negotiated between the borrower and the lender. The maximum repayment term is 40 years.

Each loan must be adequately secured by real estate, but the FmHA may lend up to 100 percent of the value of the secure property. There is no arbitrary "down payment" requirement.

Borrowers who receive insured loans from FmHA are required to "graduate" to regular private credit sources as soon as they are able.

The dollar ceiling is \$200,000 for an insured loan, \$300,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.



U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

SOIL AND WATER LOANS  
Federal-FmHA

PURPOSE:

To help individual farmers and ranchers develop, conserve and properly use their land and water resources, and abate pollution.

Funds may be used to drill wells and otherwise improve water supply systems for irrigation, home use, and livestock; to buy irrigation equipment; to acquire a water supply; to install drainage or waste disposal facilities.

Soil improvement practices which may be financed under this program include fertilizing, seeding, sodding, land leveling, establishing permanent pastures and farm forests, installing erosion and pollution control measures.

TERMS:

Interest rates for insured loans vary according to the cost of money to the Government. Interest rates for guaranteed loans are negotiated between the borrower and the lender. The maximum repayment term is 40 years.

Each loan must be adequately secured by real estate, but FmHA may lend up to 100 percent of the value of the security property. There is no arbitrary "down payment" requirement.



Borrowers who receive insured loans from FmHA are required to "graduate" to regular private credit sources as soon as they are able.

The dollar ceiling is \$200,000 for an insured loans, \$300,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

U.S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

YOUTH PROJECT LOANS  
Federal-FmHA

PURPOSE:

To enable young people between the ages of 10 and 20 years, who reside in a town or city with a population of not more than 10,000, to borrow on their own signature for income-producing projects.

Each project must be part of an organized and supervised program of work such as in school, 4-H club, or Future Farmers of America activity, and produce sufficient income to repay the loan.

These loans can finance nearly any kind of farm or nonfarm income-earning project including lawn and garden service, livestock and crop production, repair shops, catering services, crafts sales, roadside markets, and many others.

TERMS:

Interest rates are the same as for farm operating loans. The repayment schedule is worked out between the FmHA county supervisor and the applicant and is based on when the product is sold or the service paid for. The loan is secured by a promissory note signed by the applicant and occasionally a cosigner.

LIMITATION:

The loan limitation for a youth loan is \$10,000.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs.. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

FARMERS HOME ADMINISTRATION COUNTY OFFICES

CONTACT:

Everett C. Paluska, State Director or  
Richard Wilson , Chief of Farmer Programs  
State Office  
USDA, Farmers Home Administration  
451 West St.  
Amherst, MA 01002  
(413) 253-3471

MASSACHUSETTS - COUNTY OFFICES

DISTRICT I

Carrie L. Novak  
County Supervisor  
1 Haywood Place,  
55 Lake Street  
Gardner, MA 01440  
(617) 632-1864

Peter P. Laurenza  
County Supervisor  
4 Whalley St.  
Hadley, MA 01035  
(413) 584-7992

Leonard J. Shuzdak, Jr.  
County Supervisor  
Federal Bldg.  
78 Center St. (Arterial)  
Pittsfield, MA 01201  
(413) 443-9624

Randy I. Kleiner  
County Supervisor  
55 Federal Street  
Greenfield, MA 01301  
(413) 772-0197

Robert E. Timinski  
County Supervisor  
688 Main St.  
Holden, MA 01520  
(617) 829-6626

Raymond P. Fricano  
County Supervisor  
185 Church St.  
P.O. Box 97  
Whitinsville, MA 01588  
(617) 234-9776



MASSACHUSETTS AND RHODE ISLAND - COUNTY OFFICES

DISTRICT II

James W. Shaw  
County Supervisor  
160 MacArthur Park Blvd.  
Route 28  
Bourne, MA 02532  
(617) 759-2136

Karen A. Savoie  
County Supervisor  
501 Great Rd., Unit 106  
North Smithfield, RI 02895  
(401) 568-3069

David R. DeFreest  
County Supervisor  
40 Naqog Park, 3rd Floor  
Acton, MA 01720  
(617) 263-3750

Mailing Address  
P.O. 1124  
Littleton, MA 01460

Thomas S. McGarr  
County Supervisor  
40-48 North Main St.  
Middleboro, MA 02346  
(617) 947-2324

Ernest A. Gillis  
County Supervisor  
Bradford Bldg.  
7 Town Square  
Plymouth, MA 02360  
(617) 747-4742

Charles L. Girard  
County Supervisor  
543 Old Townhouse Rd.  
South Yarmouth, MA 02664  
(617) 398-0119

Cecelia Harris  
County Supervisor  
South Kingstown Office Park  
24 Salt Pond Rd., Suite C8A  
Wakefield, RI 02879  
(401) 783-3477

Charles W. Duboc  
County Supervisor  
48 Quaker Lane  
West Warwick, RI 02893  
(401) 826-0842

CONNECTICUT - COUNTY OFFICES

DISTRICT III

William W. Rainville  
County Supervisor  
P.O. Box 376, Rt. 205  
Brooklyn, CT 06234  
(203) 774-5344

Peter I. Burr  
County Supervisor  
Town St., Rt. 82  
P.O. Box 379  
East Haddam, CT 06423  
(203) 873-1464

Christopher Higgins  
County Supervisor  
Agricultural Center  
P. O. Box 127  
Litchfield, CT 06759  
(203) 567-9434

John L. Slate  
County Supervisor  
Evergreen Plaza, Rt. 32  
P. O. Box 7  
North Franklin, CT 06254  
(203) 887-3570

Johan M. Strandson  
County Supervisor  
147 Providence St.  
Putnam, CT 06260  
(203) 928-6559

Mark P. Licea  
County Supervisor  
P.O. Box 2217  
Waterbury, CT 06722  
(203) 753-3174

Ronald Clark  
County Supervisor  
670 Main St., 4th floor  
P. O. Box 666  
Willimantic, CT 06226  
(203) 456-1725  
(203) 456-1726

Carolyn L. Burt  
County Supervisor  
1101 Kennedy Rd.  
Room 101B  
Windsor, CT 06095  
(203) 688-6341

DISTRICT OFFICES

Brian Anderson - District I  
District Director  
Route 116  
P. O. Box 455  
Sunderland, MA 01375  
(413) 665-2603

Richard A. Lavoie - District II  
District Director  
U.S. Post Office Building  
Room 173  
127 Social St.  
Woonsocket, RI 02895-3132  
(401) 765-5500

Kenneth L. Main -District III  
District Director  
P.O. Box 666  
670 Main St. - Lower Level  
Willimantic, CT 06226  
(203) 456-2269



## COMMUNITY BASED ECONOMIC DEVELOPMENT RESOURCES

This section contains a brief description of the various programs that are available to assist local governments, neighborhood organizations and other community-based organizations, in planning for the development and implementation of projects. The type of assistance these programs provide is often critical in ensuring a project's success.

Although the eligible applicants and specific purpose of each of these programs may differ, they are all designed to increase the expertise and the capacity of the applicant to design a project plan which can be effectively implemented.





## COASTAL FACILITIES IMPROVEMENT PROGRAM

### STATE-CFIP

In late 1983, the Massachusetts State Legislature authorized an \$18 million bond issue for the Coastal Facilities Improvement Program (CFIP) as part of the Coastal Protection Bill (Ch. 589 of the Acts of 1983). The Massachusetts Coastal Zone Management (MCZM) within the Executive Office of Environmental Affairs will administer and implement the CFIP. This brochure has been prepared to assist coastal communities by providing an overview of the basic goals, objectives and criteria for eligibility under the CFIP.

The CFIP is intended to provide financial assistance on a "reimbursable" basis to coastal cities and towns so that they can plan for, construct, reconstruct, maintain and improve their public coastal facilities. The Program will reimburse communities up to 50% of the total cost of a project on a dollar for dollar basis up to \$1 million for a single project and not more than \$1.5 million for more than one project. Communities with approved projects can make their dollar for dollar match in the form of in-kind services or with revenues from municipal bonds, bequests, gifts, contributions by the federal, state or municipal governments, or by individual corporations or associations. Project costs claimed as match shall be incurred after December 17, 1983, the date of enactment of Chapter 589 of the Acts of 1983. It is important to understand that once a project gets underway, reimbursement may not occur until the local municipality (grantee) has demonstrated that at least 50% of the approved project has been completed. The terms of reimbursement will be clearly stated in the final award contract between MCZM Office and the grantee.

The basic criteria for eligibility for this reimbursement improvement program include:

- the community must be a "coastal community" as defined in the MCZM Program Plan.
- the project site must be public (land or property must be owned and maintained by a municipality or by the Commonwealth) and it must be one of the following:
  - determined to be "substandard " by the Secretary of Environmental Affairs,
  - located within a Commercial Area Revitalization District "(CARD)",
  - located within a Spacial Assistance Development Area "(SADA)" as listed in the MCZM Program Plan,
  - located within a "Designed Port Area" as listed in the MCZM Plan.

#### TYPES OF COASTAL IMPROVEMENTS

Many types of improvement projects will be allowed under the Coastal Facilities Improvement Program. They include but are not limited to the construction or repair of the following: bulkheads, ripraps, piers, wharves, docks, floats, beaches or other structures used for fishing, marine industry or commerce, marine recreation, tourism or public access purposes. Other allowable facilities include public upland platforms, public buildings containing harbor related facilities for fish handling or storage, parking facilities and walkways necessary for access to a waterfront facility.

## FILING OF APPLICATIONS

The regulations necessary to implement the CFIP were promulgated August 16, 1984 and applications for assistance became available on September 5, 1984.

### WHO APPLIES:

Interested communities should contact the MCZM Office to discuss proposed projects prior to submitting applications.

### CONTACT:

Joseph E. Pelczarski, CFIP Coordinator  
Massachusetts Coast Zone Management Office  
100 Cambridge Street- Room 2006  
Boston, MA 02202  
(617) 727-9530



COASTAL ZONE MANAGEMENT  
COMMUNITY ASSISTANCE GRANTS  
STATE-EOEA

The Massachusetts Coastal Zone Management (MCZM) Office provides technical and financial assistance to coastal communities. Technical assistance is available to address short-term coastal problems, such as drafting waterfront bylaws and planning for public access. Financial assistance is available for the construction, reconstruction, maintenance and repair of coastal facilities through the Coastal Facilities Improvement Program (CFIP)

WHO APPLIES:

MCZM will provide, upon request technical assistance to individuals, coastal communities and other state agencies.

CONTACT:

Steve Bliven  
Massachusetts Coastal Zone Management Office  
Room 2006  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-9530

CFIP assistance is available to all 78 coastal communities based upon application, project eligibility and funding availability.

CONTACT:

Joseph Pelczarski, CFIP Coordinator  
Massachusetts Coastal Zone Management Office  
Room 2006  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-9530

For general information regarding MCZM

CONTACT:

Larry McCavitt  
Massachusetts Coastal Zone Management Office  
Room 2006  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-9530

## COMMERCIAL AREA REVITALIZATION DISTRICT

(CARD)

### LOCAL-STATE-EOCD

Commercial enterprises in approved revitalization districts are eligible for important financial incentives - State tax-exempt development bond financing, mortgage insurance, state tax credits (certain eligibility requirements) and other incentives that also may be made available . To be eligible for these programs, the commercial activity must be located in an approved Commercial Area Revitalization District (CARD), typically an older downtown area. CARD plans are developed and approved by the governing body of the community and submitted to the Executive Office of Communities and Development (EOCD) for review and final approval. To qualify, the area must be an older, established commercial area experiencing disinvestment. EOCD has published guidelines on how to prepare a CARD plan, and has staff available to assist cities and towns in the process.

Once the CARD plan has been approved, commercial enterprises in the approved area may apply for tax-exempt and taxable bond financing from the Massachusetts Industrial Finance Agency (MIFA) and may also consider applying to state agencies that may administer needed programs that provide an incentive for a project located in a CARD.

#### WHO APPLIES:

All communities in Massachusetts are now eligible to apply for a CARD plan designation for qualified areas of their city or town.

#### CONTACT:

John Young, CARD PROGRAM  
Division of Municipal Development  
Executive Office of Communities and Development  
Room 904  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-3197

## COMMUNITY DEVELOPMENT ACTION GRANT

(CDAG)

### LOCAL-STATE-EOCD

Under the Commonwealth's Community Development Action Grant (CDAG) Program, grants are made to cities and towns for public actions in support of private investments. This competitive program is designed to stimulate economic development activities that will attract and leverage private investment, create or retain long-term employment and/or housing opportunities, and revitalize distressed areas throughout the state. In so doing, the program supports only those private investments that would not occur, but for the receipt of CDAG funds.

To date, over Massachusetts communities ranging from 1,000 in population to the state's capital, Boston, have received \$52 million from the Cdag Program. Grant - funded activities have included the construction of roads, sidewalks, and railroad sidings; street lights and stop lights; parking lots and parks; and sewer and water lines.

#### WHO APPLIES:

All communities in Massachusetts are eligible to apply.

#### CONTACT:

CDAG Program Director  
Division of Municipal Development  
Executive office of Communities and Development  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-7180



COMMUNITY DEVELOPMENT

BLOCK GRANT - ENTITLEMENT  
FEDERAL-HUD

Established in 1975, this program distributes funds to all cities of 50,000 or more population and all SMSA central cities regardless of population with specific amounts based on a formula set by Congress. Activities eligible for funding are broadly defined, including construction of public facilities such as parks, streets, fire stations, and community centers, housing rehabilitation programs, social services and economic development programs. The activities must be related to a community development strategy and needs statement, and must principally benefit low and moderate income residents.

The cities and towns listed below are currently receiving funds:

MASSACHUSETTS

Arlington	Fitchburg	Lynn	Salem
Attleboro	Framingham	Malden	Somerville
Boston	Gloucester	Medford	Springfield
Brockton	Haverhill	New Bedford	Waltham
Brookline	Holyoke	Newton	Westfield
Cambridge	Lawrence	Northampton	Weymouth
Chicopee	Leominster	Pittsfield	Worcester
Fall River	Lowell	Quincy	

WHO APPLIES?

Cities receive funds annually after submission of Community Development Strategy and Needs Statement.

Contact:

Your Local Community Development Department

or

Robert L. Paquin, Deputy Director  
Office of Community Planning and Development Division  
U.S. Department of HUD  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5345



COMMUNITY DEVELOPMENT

BLOCK GRANT - SMALL CITIES  
FEDERAL-HUD

The Small Cities Community Development Block Grant program was established in 1978. These funds made available by HUD are awarded annually by EOCDC based on the distribution system developed by the state to cities and towns not eligible for HUD's large cities entitlement grants. These grants are administered by the state, giving the program more flexibility. These grants may run for a single year or a multi-year period. Generally single year projects emphasize housing rehabilitation programs while multi-year comprehensive projects coordinate several components with related community development efforts. A portion of the total funds received from HUD are set aside by the state for specific economic development projects and technical assistance grants.

Contact:

Scott Hebert  
Executive Office of Communities and Development  
14th floor  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-8690

COMMUNITY ECONOMIC DEVELOPMENT ASSISTANCE CORPORATION

STATE-CEDAC

The Community Economic Development Assistance Corporation (CEDAC) is a quasi-independent agency that offers technical assistance to community development corporations (CDC's) and other non-profit community-based organizations in economically depressed areas of the state. It offers professional services and front money loans to these eligible organizations to package real estate projects that will benefit area residents.

CEDAC's nine member Board of Directors must approve each project. Selection is based on: (1) the degree to which the proposed project will benefit the area; (2) degree to which a project will be locally controlled and/or owned; (3) the project's scale and impact; (4) the overall viability of the project; and (5) the project's strategic importance to redevelopment of the target area. CEDAC's assistance is provided by its staff of our professionals or by consultants.

WHO APPLIES:

Community development corporations (CDC's) and other community based organizations in economically distressed areas of the state.

CONTACT:

Carl Sussman, Executive Director  
Community Economic Development Assistance Corporation  
Suite 800  
8 Winter Street  
Boston, MA 02108  
(617) 727-0506

## COMMUNITY FACILITY LOANS

### Farmers Home Administration FEDERAL-FmHA

FmHA is authorized to make loans to develop essential community facilities for public use in rural areas and towns of not more than 20,000 people. These loans can be made to public entities and non-profit corporations who show adequate repayment ability. Funds may be used but are not limited to the following items: to construct, enlarge or improve fire stations, libraries, hospitals, clinics, community buildings, industrial parks and other community facilities that provide essential service to rural residents and to pay necessary costs connected with such a facility. The loans carry a term of 40 years or the life expectancy of the item being purchased, improved or built, whichever is the lesser. The interest rates change quarterly and are set on January 1, April 1, July 1 and October 1 of each year. For the current interest rate, contact one of the offices listed below.

The agency is authorized to provide financial assistance for water and waste disposal facilities in urbanized areas in towns of up to 10,000 people. Eligible entities are municipalities, special purpose districts and non-profit corporations. The funds may be used to construct, repair, improve, expand and/or otherwise modify water supply and distribution facilities, including reservoirs, pipelines, wells, pumping stations and water supply. Additionally, funding may also be used to construct, repair, improve, expand or otherwise modify waste collection, pumping treatment or other disposal facilities, including stabilization ponds, storm sewer facilities, sanitary landfills, incinerators and solid waste transfer stations. The term and interest rates are the same as for community facility loans.



The following Massachusetts towns or urbanized areas are eligible for interest rates below the market rate. Towns not listed would be at market rate. Towns and places marked with asterisks (\*) are eligible to be considered for water and waste grants.

State		
County		
MCD/CDC		Median
Place		Hshld.
<u>Nonmetropolitan</u>	<u>Population</u>	<u>Income</u>
Massachusetts		
<u>Barnstable County</u>		
Barnstable Town	30,898	16,312
Bourne Town	13,874	15,742
Brewster Town	5,226	15,678
Chatham Town	6,071	15,441
Dennis Town	12,360	13,944 *
Eastham Town	3,473	15,392
Falmouth Town	23,640	16,572
Harwich Town	8,971	14,731
Mashpee Town	3,700	16,179
Orleans Town	5,306	16,513
Provincetown Town	3,535	10,108 **
Truro Town	1,486	13,723 *
Wellfleet Town	2,209	12,816 **
Yarmouth Town	18,449	14,560
<u>Berkshire County</u>		
Adams Town	10,381	13,807 *
Clarksburg Town	1,871	16,471
Egremont Town	1,312	16,437
Florida Town	729	13,380 **
Gr. Barrington Town	7,405	15,187
Hancock Town	639	15,139
Hinsdale Town	1,707	15,906
Lanesborough Town	3,131	16,753
Monterey Town	822	14,412
Mt. Washington Town	103	13,333 **
New Marlboro Town	1,160	15,346
North Adams City	18,063	12,442 **
Otis Town	963	14,331
Sandisfield Town	720	12,750 **
Savoy Town	645	16,103
Sheffield Town	2,743	15,846
W. Stockbridge Town	1,280	15,987
<u>Bristol County</u>		
Fairhaven Town	15,759	15,189

\*\* 80% level of below

\* 85% level or below

CONTACTS:

For Eastern Massachusetts

Richard Lavoie  
District Director  
Farmers Home Administration  
USDA  
U. S. Post Office Building  
127 Social Street  
Room 173  
Woonsocket, RI 02895-3132  
(401) 765-5500

For Western Massachusetts

Brian Anderson  
District Director  
Farmers Home Administration  
USDA  
P. O. Box 455, Route 116  
Sunderland, MA 01375  
(413) 665-2603

or

Craig Dore, Chief  
Community & Business Programs  
Farmers Home Administration  
USDA  
451 West Street  
Amherst, MA 01002  
(413) 253-3471

## ECONOMIC DEVELOPMENT SET ASIDE PROGRAM

### STATE -EDSA

The Economic Development Set-Aside (EDSA) Program has \$6.5 million available in 1985 to lend at low interest rates for favorable terms to businesses locating, expanding, or starting-up in communities that are eligible for Small Cities Community Development Block Grants.

#### WHO MAY APPLY:

Applications must be submitted by the municipality on behalf of the business requesting the loan.

#### TERMS AND CONDITIONS:

Rates and terms are negotiated on a case by case basis. Applications are accepted throughout the year. Municipalities may apply for between \$50,000 and \$500,000.

#### ELIGIBLE USES:

EDSA funds may be used to finance the acquisition, rehabilitation, and construction of facilities, and to purchase machinery and equipment. EDSA funds may not be used for working capital or for the purchase of rolling stock.



CRITERIA UPON WHICH DECISIONS ARE BASED:

EDSA considers factors such as community need, anticipated numbers of jobs to be created, increased tax revenue, and clear need for funding. Applicants must demonstrate that substantial funds other than EDSA are being leveraged; that equity is committed by the principals; that "but for" the injection of EDSA funds the project will not occur; that jobs produced will be accessible to lower income persons; and that one or more of the three national objectives are being met.

CONTACT:

Karen Blair  
Executive Office of Communities and Development (EOCD)  
Room 904  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-7001

## HISTORIC PRESERVATION INCENTIVES

### STATE-FEDERAL/MHC

There are two matching grant programs aimed at preservation/and restoration of historic resources; both are administered by the Massachusetts Historical Commission (MHC).

#### Massachusetts Preservation Projects Fund

##### PURPOSE:

The Massachusetts Preservation Projects Fund is a state-funded matching grant program established in 1984 to support preservation and maintenance of properties and sites listed in the State Register of Historic Places. Grants range from \$5,000 to \$100,000.

Types of Project Research: Include Historic Structures Report and archaeological investigations.

Development: Construction activities including stabilization, protection, rehabilitation and restoration.

Acquisition specially allocated for endangered properties.

Filing of Applications: Preapplication materials are available in October. Deadline for filing is the first day of December.

##### WHO APPLIES:

Municipalities and private non-profit organizations.

##### SURVEY AND PLANNING SUBGRANTS

The Massachusetts Historical Commission a federally funded matching grant program for non-construction preservation activities.

Eligible activities are: Intensive inventory, registration and comprehensive preservation planning for historic and prehistoric resources. Grants also support staff in Regional Planning Agencies, publications and conference planning.

WHO APPLIES:

Local historical commissions, historic district commissions (and land study committees), units of state or local governments, educational institutions, private non-profit organizations and "certified" local governments.

CONTACT:

Grants Division  
Massachusetts Historical Commission  
80 Boylston Street  
Boston, MA 02116  
(617) 727-8470



## LEEWAY LAW

### STATE-BANKING DEPARTMENT

The so-called "Leeway-Law" was enacted by the Massachusetts Legislature in 1970 to enable both savings banks and cooperative banks to directly invest in development projects (or business ventures) they would not otherwise be authorized to invest in. Banks seeking ways to display their commitment to the communities they serve can take the initiative in community revitalization efforts by participating directly in development plans. The Leeway Law provides a great deal of freedom to banks to play a number of roles in the development process. Banks can provide the equity as well as the financing needed to get a project moving.

Working usually through a solely owned subsidiary, a bank can purchase, develop, and manage property. The size of a bank's leeway investments are limited to a maximum of 5% of total deposits, anything over 3% must be invested in urban renewal type projects, and only 2% of total deposits on any single investment.

#### WHO APPLIES:

All state chartered banks

#### CONTACT:

Andrew J. Calamare  
Commissioner of Banks  
20th Floor, Room 2004  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-3120

## MASSACHUSETTS MAIN STREET CENTER

### STATE-EOCD

#### THE MAIN STREET APPROACH TO DOWNTOWN REVITALIZATION

The Massachusetts Main Street Program is designed to help communities strengthen their local economy by improving the economic health of downtown. The Main Street Program has been successful in Massachusetts and around the country because it is concerned not only with the way a downtown looks, but more importantly with a way that a downtown functions in today's competitive economy.

Traditionally, communities have relied on beautification programs to bring vitality and business back downtown to "Main Street." The Main Street Program combines an emphasis on physical improvements with a pragmatic orientation that stresses sound management, community involvement, competitive community activity and identity.

A goal of the Main Street Program is to encourage economic development within the context of historic preservation. Preservation is defined as the management of change, ensuring that new development complements the community's architecture and history. The Main Street Program also emphasizes community self reliance and encourages Main Street's traditional assets of personal service, local ownership, unique architecture and sense of community.

The Main Street Program is based on a comprehensive, four point approach to downtown revitalization. These four points are: ORGANIZATION, PROMOTION, DESIGN and ECONOMIC RESTRUCTURING. Experience has proven that a Main Street Program which lacks any of these fundamental ingredients will probably not survive. It is therefore necessary that all four points of "The Main Street Approach" be given adequate attention in a downtown revitalization program; though they will have a tendency to overlap at times and may be given different emphasis at various stages of the program.

The key element in the ORGANIZATION component of the Main Street Approach is the early formation of a local Main Street organization. This organization should include a partnership of public and private individuals and entities who are concerned with or have a stake in the future of the downtown. In short, membership to the downtown organization should be open to the entire community and should be as broad based as possible.

The downtown organization should include a Board of Directors consisting of members who are key decision makers in the community such as municipal officials, bankers, merchants, industrialists, preservationists, Chambers of Commerce officials, downtown residents, design professionals, developers, realtors, other professionals with practices located downtown or representatives of and other groups or agencies in the community which are concerned with downtown. The Board of Directors should form a small Executive Committee to act as the decision making body of the organization and establish a clearly defined structure of standing committees which will conduct the normal activities of the organization such as membership and fundraising, promotions, design review and economic restructuring. Special committees may also be formed to perform specific, one time tasks or events. It should be a mission of the downtown organization functioning as an advocate for the downtown.



The Downtown Manager serves as staff support to the Downtown organization in executing its plans and activities. The manager functions as the principal advocate of downtown and coordinator insuring that all appropriate individuals and groups are involved from the out set of the program and working together to develop a positive image for downtown. The downtown Manager assists in developing a strong Main street organization or Downtown Business Association that actively manages a downtown shopping district.

The PROMOTION of downtown as a unified shopping district, much in the way a shopping mall would be promoted, helps to attract customers and strengthens Main Street's role as a viable business center. The Downtown manager works with the Main Street organization or business association to develop a creative marketing plan, coordinating advertising, promotions and special events. These strategies help downtown to improve both its self image and the image that it projects to potential customers.

Good or appropriate DESIGN is essential to all aspects of downtown revitalization. The buildings on Main Street reflect the community's history, and often represent quality design from a variety of historical periods. The Main Street philosophy encourages utilization and enhancement of those elements of quality design which remain in each building. These buildings should be maintained and can be successfully adpted for today's commercial needs. In addition, the community's promotional literature, window displays, signs and public improvements should all promote a quality image.

ECONOMIC RESTRUCTURING enables Main Street to regain its role as the center of community and economic activity. Successful downtown areas will usually offer a mix of housing, goods and services, recreation and entertainment. The key to a successful Economic Restructuring program is to encourage the "proper mix" of goods, services, and activities downtown which will allow the community to thrive. Retail business recruitment, development of imaginative marketing and merchandising techniques and reuse of vacant upper stories for housing and office space are some aspects of an Economic Restructuring program

#### PROGRAM ELEMENTS:

Communities participating in the Main Street Program can expect to develop a permanent, comprehensive downtown management program which is self-supporting through joint private and public sector participation. The program offers financial and technical assistance to help communities in applying the "Main Street Methodology" to their downtowns. There will be three separate components to each Main Street grant: funds towards the salary of a downtown manager; seed money to partially finance local projects; and technical assistance from EOCD to implement the project in a comprehensive manner.

#### CONTACT:

Virginia Hildreth, Director  
Massachusetts Main Street Center  
Executive Office of Communities and Development  
Room 904  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-3197



OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT

A STATE OFFICE WITH A NEIGHBORHOOD FOCUS  
STATE-OCED

The primary goal of the Office of Community Economic Development (OCED) is to strengthen non-profit, community development organizations so that they can improve the physical, economic and social conditions for residents in their neighborhoods. As a state office, we work with Community Development Corporations (CDC's), Neighborhood-Housing Service Corporations (NHS's), Regional Non-Profit Housing Agencies and other community based groups--in both rural and urban areas--to increase and provide jobs for low and moderate income people.

Much has been accomplished to demonstrate that community controlled development is possible and extremely valuable. In the last decade, community development organizations across the state have rehabilitated thousands of housing units, increased the commercial activities of small businesses, and created new jobs in their communities. Despite these gains, our mission of assisting locally initiated community development efforts is more critical now than ever before. Sharp cutbacks in Federal funding and the persistence of high unemployment, inadequate public services, the lack of affordable and decent housing, and the loss of small business and industry in lower income communities are indeed serious problems that require a long-term resource commitment and a continued emphasis on meeting the most pressing concerns at the neighborhood level.



### THREE AREAS OF ASSISTANCE

Located in the Division of Neighborhoods and Economic Opportunity within the Executive Office of Communities and Development, OCED provides three types of assistance to eligible community based organizations:

Grants and Administrative Support: OCED is the only Massachusetts state agency which provides funding for staff and related administrative costs of CDC's and other non-profit development organizations. The Office awards grants annually through a competitive process based on an assessment of community need, a group's track record, project feasibility, the extent of community participation and support, and the ability to raise other public and private funds.

Technical Assistance: Our field representatives provide technical assistance to community based organizations in the areas of program planning, organizational development, fundraising, Board involvement with staff and membership, and community outreach. In Fiscal year 1985, a new Training and Technical Assistance program provided small grants to eligible organizations to improve their skills in areas such as organizational development and management, administrative tasks, and marketing.

Informational Clearinghouse: Our office also acts as a clearinghouse by providing information to funded groups about State and Federal programs and by putting them in touch with key agency contacts. In addition, we distribute: a quarterly newsletter which features articles on innovative non-profit projects, legislative and program updates, and a regular column written by community organization directors; a manual describing how to organize a CDC; and an extensive mailing list of Massachusetts CDC's, NHS's and regional non-profit housing agencies.

## PROGRAM SUPPORT

Massachusetts is nationally acclaimed as a model for state support for community based organizations. OCED's four major programs play a critical role in this support system:

Community Enterprise Economic Development Program (CEED): Begun in 1979, the CEED program provides grants to CDC's to pay the salaries of staff who work on neighborhood revitalization projects. These projects--which vary according to local need--range from converting abandoned buildings into affordable rental housing to administering small business revolving loan funds. Between January 1, 1984 - June 30, 1985, \$1.3 million in state CEED grants leveraged \$122 million in additional private and public support. In addition, almost 1,250 housing units were built or rehabilitated and over 2,100 jobs were either created or retained.

Neighborhood Housing Services (NHS): The NHS program is a unique partnership among neighborhood residents, local government officials, and private lenders who work together to rehabilitate housing and promote neighborhood reinvestment. Current NHS programs in Boston, Springfield, Chelsea, Quincy, Lawrence and Cambridge operate loan funds for property owners, provide financial counseling, and offer construction planning and monitoring services to residents. Since 1981, OCED has funded these NHS programs with \$1,400,000 to supplement their revolving loan funds, resulting in over 270 rehabilitated housing units. In addition, EOOD provides fees for services to help support staff costs.



Housing Services: The Housing Services Program funds community-based organizations who in turn provide support services such as counselling, technical assistance, education and mediation to both landlords and tenants of multi-family, lower income housing. The primary goal of this program is to preserve the availability and affordability of private housing for low income residents.

Support for Local Arson Prevention Program: The Arson Prevention Program assists community organizations and local governments in building neighborhood arson prevention projects which focus on consideration and revitalization of housing. Activities supported might include training programs, block watches, along with research on arson patterns and high risk properties. The primary goals of this new program are to stimulate citizen involvement and to create coalitions among local government officials, community groups and private sector organizations to develop and implement successful strategies to combat arson.

WHO APPLIES:

Community development corporations (CDC's) or other community based, non-profit organizations serving economically-distressed areas.

CONTACT:

Annette Rubin-Casas  
Division of Neighborhood and Economic Opportunity  
Office of Community Enterprises and Economic Development  
Room 1103  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-7127



## OPEN SPACE PROGRAM

State - DPW

Location: The Massachusetts Department of Public Works, Bureau of Transportation Planning and Development.

Description: The purpose of the Program is to purchase, or take by eminent domain, land or rights in land adjacent to public ways for the purpose of restoring, preserving, or enhancing areas of scenic beauty or special environmental value. The Massachusetts Department of Public Works will make fee simple acquisitions or purchase scenic/conservation easements. Cooperative management agreements will have to be made with other state agencies, local Conservation commissions or private groups. The Program will help to preserve the Commonwealth's sense of place through the conservation of scenic landscapes.

Year Initiated: 1986

Linkage: The Program interacts with the Department of Environmental Management; The Department of Fisheries, Wildlife and Environmental Law Enforcement; the Department of Food and Agriculture; The Executive Office of Environmental Affairs; local conservation commissions, the Trustees of Reservations, the Trust for Public Land; Massachusetts Audubon Society, Public Space Partnerships and private citizens.

Criteria: The D.P.W. Open Space Program will consider acquisitions of land where a parcel, as view from the public way, clearly forms a part of a discernable natural landscape of outstanding quality. The parcels of land should contain a substantial proportion of the following criteria.

- Provide scenic vistas from the road of either man-made or natural features which are of local or statewide significance.
- Be adjacent to well-travelled public ways.
- Be adjacent to land previously purchased for conservation.

- Possess one or more of the following characteristics, so that there is a possibility of joint acquisition with other agencies: coastal and/or inland wetlands, aquifer recharge areas, agricultural land, land containing rare and endangered plants, animals or ecosystems, rare or unique geologic features, historic structure, landscapes or archaeological sites, and other special features.
- Protect scenic land under threat of development.
- Provide a maintenance and management plan by a conservation commission, local group or state agency.
- Provide access for all Commonwealth residents and visitors, consistent with highway safety.

Observations: The program is the only scenic highway program in the country with an allocation of funds. Each acquisition requires prior approval of the State House and Senate Ways and Means Committees.

Application: Applications can be made by completing the Open Space Program Application Form and enclosing 10-20 color slides or photographs of the parcel(s) you would like to have considered.

CONTACT:

Susan Quateman  
Director, Open Space Program  
Bureau of Transportation Planning and Development  
Massachusetts Department of Public Works  
10 Park Plaza  
Boston, MA 02116  
(617) 973-7323

SPECIAL PROJECTS PROGRAM

OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT  
STATE

The Special Projects Program, funded through the Community Services Block Grant (CSBG), is used to initiate and expand innovative projects which can lead to or improve methods and techniques of providing decent, affordable housing and economic opportunities for low income people. Funded on a competitive basis, the program assists community organizations in the areas of housing development, economic development, and statewide organizing, training and technical assistance for targeted low income groups.

WHO APPLIES:

Non-profit community based organizations can apply for these funds in response to an annual request for proposals.

CONTACT:

Executive Office of Communities and Development  
Office of Community Economic Development  
100 Cambridge Street, Room 1103  
Boston, MA 02202  
(617) 727-7127



URBAN DEVELOPMENT ACTION GRANTS  
FEDERAL-HUD

Initiated as part of President Carter's Urban Policy in 1977, this program encourages private fixed asset investment and development in distressed urban areas, through the leveraging of private funds with federal funds. This is one of the federal government's most flexible programs for assistance to specific development projects. The grant is to the distressed community which uses the funds in whatever manner is necessary to leverage the private investment. This may include building water lines or parking garages, assembling a site using eminent domain, or providing low interest subordinate financing directly to a developer. As of July 1, 1987 there have been 200 grant awards totalling \$324.4 million to 38 Massachusetts communities. Individual grants have ranged from \$85,000 for a historic rehab in downtown Southbridge to \$18.8 million for Copley Place in Boston.

The program is limited to projects that benefit one of the 95 Massachusetts cities and towns that currently meet HUD's physical and Economic Distress criteria. Awards are competitive with projects generating the most benefits for the more distressed communities having the best funding possibility. HUD looks at the economics of the specific project in evaluating projects. The award amount is generally last in money. Developers must document their need for funds and certify that "but for" the UDAG they could not do the project. Repayment of direct loans or reimbursement for public facilities that benefit the project are negotiable and are tailored to the economics of the project. There are separate funding pools for Large Cities and Small Cities. Applications submitted by the City are received at the end of March, July and November for Large Cities, and January, May and September for Small Cities. HUD makes a funding decision in 60 days.

The program has been funded through Federal FY87 which ends September 30, 1987. Funds to continue the program were included in the FY88 Budget resolutions from both Houses of Congress. However, specific Congressional Authorization and Appropriations are needed to continue the program and had not been made as of July 1, 1987.

WHO APPLIES:

Massachusetts Large Cities (Central City of an SMSA or population over 50,000) meeting current Minimum Standards of Physical and Economic Distress for participation in UDAG program. A community which has received a favorable eligibility determination may submit a UDAG application during the months of March, July and November.

(25)

*Attleboro	*Haverhill	*Northampton
*Boston	*Holyoke	*Pittsfield
*Brockton	*Lawrence	*Quincy
*Cambridge	Leominster	*Salem
*Chicopee	*Lowell	*Somerville
*Fall River	*Lynn	*Springfield
*Fitchburg	*Malden	*Waltham
*Gloucester	*New Bedford	Westfield
		*Worcester

Massachusetts Small Cities and Towns (Population under 50,000) meeting current Minimum Standards of Physical and Economic Distress for participation in UDAG program. A community which has received a favorable eligibility determination may submit a UDAG application during the months of January, May and September.

(6)

*Chelsea	*Gardner	*Revere
*Everett	*North Adams	*Taunton

Towns (64)

*Adams	Great Barrington	*Provincetown
*Amherst	*Greenfield	Rockland
Ashburnham	Hancock	Rowe
Athol	*Hardwick	Royalston
*Ayer	Heath	Salisbury
Becket	Hopedale	Sandisfield
Berkley	Hull	Savoy
Blackstone	Huntington	*Southbridge
*Brookfield	Middlefield	*Sunderland
Buckland	Millbury	Truro
Charlemont	Millville	Uxbridge
Charlton	Monroe	Ware
Chester	*Montague	*Wareham
Chesterfield	New Braintree	Warwick
Clinton	New Salem	*Webster
Cummington	Northbridge	Wellfleet
*Erving	Northfield	Wendall
Fairhaven	Orange	Westport
Florida	*Oxford	*West Springfield
Gay Head	Phillipston	*Williamsburg
Goshen	Plainfield	Winchendon
		Worthington

\*Denotes communities which have requested and received an eligibility determination as required by 24CFR 570.453.

CONTACT:

Your local Mayor's or Community Development Office

or

HUD - Boston Regional Office  
Office of Community Planning & Development  
Boston Federal Building  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5343



## URBAN REDEVELOPMENT CORPORATIONS - CHAPTER 121A

### LOCAL-STATE-EOCD

The Massachusetts General Law offers incentives to private developers to provide in a blighted open, decadent or substandard area, any of the following uses:

"residential, commercial, industrial, recreational or governmental as shall be in the public interest, and the operation and maintenance of such facilities after construction."

The incentive is tax predictability for a period of 15 to 40 years through the only legal method of tax agreement in the Commonwealth. Under the provisions of section 6A and 10 a developer may contract with the local boards of assessors to establish excises for EOCD approved projects in lieu of property taxes. The application process is a public one with participation on the local level by mayors, boards of selectmen, city councils and planning boards. With the exception of the City of Boston, final approval of the application for each community is with EOCD.

#### WHO APPLIES:

Eligible applicants include:

Charitable corporations organized under Chapter 180,  
Individuals or associations of individuals,  
Insurance companies or a group of insurance companies, and  
Savings banks or a consortium for savings banks.

PROCESS:

The procedures for the application and approval process are spelled out in a publication entitled Chapter 121A - Rules and Regulations.

CONTACT:

Arlene Browne  
Executive Office of Communities and Development  
Room 904  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-3252





## TRANSPORTATION

This section describes the program available to assist urban areas throughout the Commonwealth in upgrading and improving their transportation network.

The program described in this section: the Transportation Planning and Development Process, Urban Systems, and Urban Mass Transit Administration, are primarily federal programs administered by the State's Executive Office of Transportation and Construction. In the last few years, as the concept of transportation began to be seen as an integral part of community revitalization efforts, these programs have played an increasingly key role in ensuring the success of many urban development projects.



## HIGHWAY PLANNING AND DEVELOPMENT

### STATE-MDPW

The Massachusetts Department of Public Works (M.D.P.W.) has the statutory responsibility for the development of statewide transportation plans and programs. The M.D.P.W. is also responsible for the disbursement of State Aid to communities for the purpose of highway construction and repair, and is the designated agency for the receipt and disbursement of Federal-Aid highway funds.

The MDPW's operations are distributed among eight (8) separate District offices. These District offices are the local level of contact between communities and the MDPW. Requests to the MDPW to study and solve highway or highway related transportation problems should originate at the District level.

Regional Planning Agencies (R.P.A.) are responsible for comprehensive regional planning and serve as the lead transportation planning agency in their respective regions.

The R.P.A. is also a resource to communities, supplying technical direction to aid communities in the resolution of their transportation problems.

#### WHO APPLIES:

Individuals, local organizations or agencies through their Regional Planning Agency or M.D.P.W. District Office.

#### CONTACT:

Michael Meyer  
Bureau of Transportation Planning and Development  
10 Park Plaza, Room 4150  
Boston, MA 02116  
(617) 973-7310

or



## MDPW District Office

1. MDPW District #1 Office  
270 Pittsfield Road  
Lenox, MA 01240  
Tel. (413) 637-1750
2. MDPW District #2 Office  
North King Street  
Northampton, MA 01060  
Tel. (413) 584-1611
3. MDPW District #3 Office  
403 Belmont Street  
Worcester, MA 01613-0885  
Tel. (617) 754-7204

Mailing Address  
P.O. Box 885

4. MDPW District #4 Office  
519 Appleton Street  
Arlington, MA 02174  
Tel. (617) 648-6100
5. MDPW District #5 Office  
485 Maple Street  
Danvers, MA 01937  
Tel. (617) 774-3190
6. MDPW District #6 Office  
1000 County Street  
Taunton, MA 02780  
Tel. (617) 824-6633
7. MDPW District #7 Office  
1000 County Street  
Taunton, MA 02780  
Tel. (617) 824-6633
8. MDPW District #8 Office  
400 "D" Street  
South Boston, MA 02210  
Tel. (617) 482-0811

## Regional Planning Agency Addresses

1. Berkshire County Regional  
Planning Commission  
10 Fenn Street  
Pittsfield, MA 01201  
Tel. (413) 442-1521
2. Franklin County Department of  
Planning  
Court House, 425 Main Street  
Greenfield, MA 01301  
Tel. (413) 774-3167
3. Pioneer Valley Planning  
Commission  
26 Central Street  
West Springfield, MA 01089  
Tel. (413) 781-6045
4. Montachusett Regional Planning  
Commission  
100 Main Street  
Fitchburg, MA 01420  
Tel. (617) 345-7376
5. Central Mass. Regional Planning  
Commission  
340 Main Street, Suite 747  
Worcester, MA 01608  
Tel. (617) 756-7717
6. Northern Middlesex Area Commission  
35 Market Street, 2nd Floor  
Lowell, MA 01852  
Tel. (617) 454-8021
7. Merrimack Valley Planning Commission  
350 Main Street  
Haverhill, MA 01830  
Tel. (617) 374-0519
8. Metropolitan Area Planning Council  
110 Tremont Street  
Boston, MA 02108  
Tel. (617) 451-2770
9. Old Colony Planning Council  
47 West Elm Street  
Brockton, MA 02401  
Tel. (617) 583-1833

## Regional Planning Agency Addresses

10. Southeastern Regional Planning and  
Economic Development District  
88 Broadway  
Taunton, MA 02780  
Tel. (617) 824-1367
11. Cape Cod Planning and Economic  
Development District  
First District Court House  
Barnstable, MA 02630  
Tel. (617) 362-2511
12. Martha's Vineyard Commission  
P.O. Box 1447  
Oak Bluffs, MA 02557  
Tel. (617) 693-3453
13. Nantucket Planning and Economic  
Development District  
Town and County Building  
Nantucket, MA 02554  
Tel. (617) 228-6800

## MASS TRANSIT FUNDING

### FEDERAL-STATE-UMTA-EOTC

Two major types of funding are available from the Federal Urban Mass Transportation Administration (UMTA) to regional transit authorities for mass transit improvements. The following funding categories are presently available: (a) planning monies for the design and study of the mass transit system, with 80% funding from the federal government; (b) operating monies for the provision of transit service, with 50% coming from the federal government, 25% from the state, and 25% from the service communities; (c) capital improvement monies for the acquisition of transit equipment and facilities, with 80% to be provided by the federal government, 10% by the state, and 10% to be assessed to the service communities for the Section 9 program and 75% to be provided by the Federal Government and 25% by the state and localities for the Section 3 program.

In addition to the MBTA, there are 14 regional transit authorities in Massachusetts. There is also a Section 8 planning grant program available to EOTC and regional planning agencies at a 80%, 20% federal grantee ratio.

#### WHO APPLIES:

Regional transit authorities and regional planning agencies apply through the normal transportation planning and development process, working with the Executive Office of Transportation and Construction.

#### CONTACT:

Regional transit authority, regional planning agency or:

Richard H. Doyle  
Regional Administrator  
UMTA Regional Office, Transportation Systems Center  
55 Broadway, Room 930  
Kendall Square, Cambridge, MA '02142  
(617) 494-2055



## URBAN SYSTEMS

### ROADWAY IMPROVEMENTS FEDERAL-STATE-DOT-DPW

Funding under the Urban Systems program can be used for transportation improvements to existing arterial roadway systems. Eligible activities include reconstruction, removal of on-street parking, realignment, sidewalk improvements, municipally owned street lighting, traffic safety devices, and tree planting along improved roadways. Monies can also be used to pay for the replacement of spaces lost through the removal of on-street parking in an Urban Systems project.

75 percent of the cost of these projects is paid by the federal government and the remaining 25% by the state. Certain Urban Systems funds are earmarked to urbanized areas and cities with high density; the balance is distributed to other urban and urbanized areas statewide.

In order for a community to move its project along expeditiously, it should use local funds to produce designs which can be approved at the state level for construction financing.

#### WHO APPLIES:

Eligible municipalities with a Federal Census Urban Area.

#### CONTACT:

Sumner Hoffman, Director  
Urban Systems  
10 Park Plaza  
Room 6210  
Boston, MA 02116  
(617) 973-7251

## SEWER AND WATER

This section describes the major sources of federal and state funding available to assist urban areas in meeting their sewer and water needs. These programs are administered by the Executive Office of Environmental Affairs, and form a critical link in ensuring adequate physical capacity to accommodate growth. The 201 Program provides a community with funding for the planning, design and construction of sewers and wastewater treatment facilities. A recently enacted state law is also described which will provide funding for the construction of lateral sewers and collection systems which can assist an urban area in creating or retaining employment opportunities.

Of equal importance to urban areas is the continued adequacy of the Commonwealth's drinking water supply. Many older urban areas face a variety of water supply problems including the need to rehabilitate old water distribution systems and to treat contaminated supplies.

## DRINKING WATER FILTRATION FACILITIES

### STATE-EOEA

The Drinking Water Filtration Program funds on a 50% matching basis the construction of new drinking water facilities or the upgrading or expansion of existing facilities. Should federal funds be provided for the construction of a water filtration plant funded by the state, the municipality or water district must reimburse the state by the amount that federal funds exceed 40% of the construction costs. At the present time the only priority for granting awards is that those communities under boiling orders receive highest priority.

The legislature has authorized in 1985 an additional 25 million dollars for this program in addition to two previous authorizations totaling 100 million dollars.

#### WHO APPLIES:

All Massachusetts communities (other than those in the MDC) and public water districts.

#### CONTACT:

Richard J. Gioiosa  
Acting Director  
Construction Grant Program  
Division of Water Supply  
1 Winter Street  
Boston, MA 02108-64  
(617) 292-5780



LEAK DETECTION PROGRAM AND  
REPAIR AND REHABILITATION OF WATER SYSTEMS  
CHAPTER 286, ACTS OF 1982  
STATE-EOEA-DEQE

This program will provide 50% matching grants to communities and water districts, 5% of which will go toward leak detection programs, the remaining 95% for the rehabilitation or replacement of deteriorated or undersized water mains, and associated distribution elements. In addition only 5% of the total authorization can go to any one community or district. The Department of Environmental Quality Engineering has established criteria for prioritizing and ranking grant applicants which include measures of public health based on adverse water quality, public safety based on adequate fire protection and system condition/deterioration.

WHO APPLIES:

All Massachusetts communities and public water districts are eligible to apply.

CONTACT:

Richard J. Gioiosa  
Acting Director, Construction Grants Program  
Division of Water Supply  
1 Winter Street  
Boston, MA 02108-64  
(617) 292-5780

## MASSACHUSETTS CLEAN LAKES PROGRAM

### STATE

In 1975 an inventory of lakes in Massachusetts identified 2859 lakes and ponds of which 57% (1636) were 10 or more acres in size. The 1636 lakes and ponds over 10 acres contain 96% of total lake area. The passage of Chapter 628, MGL 1981, authorized 3 million dollars per year of state monies to be specifically expended for restoration or preservation of the Commonwealth's lakes and great ponds. According to Administrative Guidelines developed, initial grants will be awarded to public entities to undertake diagnostic-feasibility studies of publicly owned lakes and ponds. If restoration or preservation is found to be feasible, additional grants will be awarded to undertake the recommended actions.

Currently, the annual number of requests for grant funds exceeds the funding authorization. This is expected to continue in the foreseeable future. Applications are prioritized in accordance with criteria specified in the guidelines and grants are awarded to the highest priority projects to the limit of annual funding. When it is found that restoration or preservation is not feasible, the lake or pond may be eligible for consideration for maintenance actions such as weed or algae control.

#### WHO APPLIES:

All Massachusetts Cities and Towns are eligible.

#### CONTACT:

Richard McVoy, Ph.D.  
Division of Water Pollution Control  
Lyman School  
Westborough, MA 01581  
(617) 366-9181

## METER MODERNIZATION PROGRAM

### Chapter 786 of the Acts of 1985

The Department of Environmental Quality Engineering is authorized to expend up to fifteen million dollars for grants to cities, towns and districts, and water and sewer commissions of the Commonwealth for developing an ongoing program of meter installation, modernization, or rehabilitation; or centralized utility metering for public water supply systems. This is to be matched by an equal amount appropriated by the city, town, district or commission may be provided. Standards, guidelines, criteria, priorities for the administration of these funds include, the age of the system, the need to install or replace meters, the percentage of the system currently metered, the age of the meters being replaced or rehabilitated, the percent of the water budget which is covered by charges or fees, and the degree of cooperation among the utilities.

Five million dollars is set aside for the installation of water meters; five million dollars is set aside for an accelerated program of meter rehabilitation or replacement; five million dollars is set aside for the installation of multi-user meters, shared by more than one utility.

Regulations and staffing have not been established for this program to date.

#### WHO APPLIES

All Massachusetts communities and public water districts are eligible to apply.

#### CONTACT:

Richard J. Gioiosa  
Acting Director  
Construction Grants Program  
Division of Water Supply  
1 Winter Street  
Boston, MA 02108-64  
(617) 292-5780



## SEWER COLLECTION SYSTEM GRANTS

### STATE-DWPC

Enacted in 1979, this program provides \$25 million per year in state grant funds through fiscal year 1989 to construct collector sewer systems. Grants are to be made in an amount not to exceed 50% of a project's eligible cost or \$3 million, whichever is less and are made in accordance with priority systems established under Division of Water Pollution Control regulation (314 CMR 10). The Division has established two separate sets of priority criteria: one for ranking "economic benefit sewer projects", and the second for ranking "collection system projects".

With respect to economic benefit projects, (4.0 set aside each year) only projects that assist in creating or retaining long-term employment opportunities will be considered for funding. The project must appear on the "fundable" list before a grant application can be made. Unexpended funds are carried over and made available for collection systems projects in the next fiscal year.

#### WHO APPLIES:

Any Massachusetts public entity may submit to the Division a sewer collection system project for inclusion on either the economic benefit or collection priority list by completing and filing the appropriate project information form (PIF) prior to December 1st preceding each fiscal year, (i.e. for FY-89; July 1, 1988 to June 30, 1989, a PIF must be received no later than December 1, 1987).

#### CONTACT:

Leo Andronico  
Division of Water Pollution Control  
1 Winter Street  
Boston, MA 02108-64  
(617) 292-5681

## WASTEWATER TREATMENT CONSTRUCTION GRANTS

### State - EPA

The State/EPA Construction Grants Program provides financial assistance to municipalities and sewerage districts for water pollution abatement projects. The enactment of Chapter 786 of the Acts of 1985 provides comprehensive legislation to continue and accelerate our commitment to cleaning up the rivers, streams and coastal waters of this Commonwealth through this program. This legislation authorizes in part \$357 million in the construction grants program for municipal water pollution abatement projects. All Massachusetts cities and towns are eligible for this program.

In the implementation of this legislation, provision has been made to allow the Federal percentage of project funding to be reduced to 35 percent of the eligible costs. Chapter 786 provides State bonding authorization to allow this Division to increase our State matching grant to 55 percent, thereby maintaining the municipal contribution at 10 percent. The net result of these actions will be to increase the number of projects that could be funded. With the increased Commonwealth funding, (75 million annually for FY-86, 87 and 88), it will be possible to accelerate the EPA/State grant program to commerce construction on approximately \$600 million of water pollution control projects during this period while Federal grants are still available.

The EPA construction grants program will remain a cornerstone of the water pollution control effort. This program has undergone extensive Congressional and Administration evaluation as a result of the reauthorization of the Federal Clean Water Act. A critical work element for this year will be to develop and implement the necessary statutory and regulatory framework to set up a state revolving fund (SRF) program.

Additionally, the recently enacted infiltration/inflow reduction program provides \$100,000 in state funds to cities and towns for rehabilitation of sewerage collection and transmission facilities to reduce infiltration/inflow.

CONTACT:

Thomas C. McMahon  
Division of Water Pollution Control  
1 Winter St.  
Boston, MA 02108-64  
(617) 292-5646





## HOUSING

This section contains a brief description of the variety of federal and state funding programs that are available to help ensure an adequate supply of housing within urban areas. For the most part, these programs are limited to providing opportunities for low and moderate income persons.

Programs described in this section are those which provide funds to local housing authorities for the acquisition/construction/rehabilitation of scattered site housing for low-income families, as well as housing for the elderly. In addition, the various state and federal programs which provide rent subsidies for low income persons are also discussed.

Other programs described in this section involve the use of tax-exempt bonds to finance both rental housing and home ownership opportunities for low and moderate income persons. Further described are three federal programs which can offer financing as well as technical assistance to those individuals interested in rehabilitating their homes.

The federal government's efforts to increase the availability of private financing for housing production through loan and mortgage insurance and the creation of a secondary mortgage market are described in this section as well.

# REPORT

The following report was prepared by the committee on the subject of the proposed new law, and is submitted for the consideration of the assembly.

The committee has the honor to acknowledge the assistance of the following persons in the preparation of this report:

Mr. J. H. Smith, Mr. W. B. Jones, Mr. C. D. Brown, Mr. E. F. White, Mr. G. H. Black, Mr. I. J. Green, Mr. K. L. Gray, Mr. M. N. Hall, Mr. O. P. King, Mr. Q. R. Lee, Mr. S. T. Young, Mr. U. V. Adams, Mr. W. X. Baker, Mr. Y. Z. Clark, Mr. A. B. Evans, Mr. C. D. Fisher, Mr. E. F. Gibson, Mr. G. H. Harris, Mr. I. J. Hill, Mr. K. L. Hunt, Mr. M. N. Ingram, Mr. O. P. Jackson, Mr. Q. R. Johnson, Mr. S. T. Keith, Mr. U. V. Knight, Mr. W. X. Lamb, Mr. Y. Z. Little, Mr. A. B. Long, Mr. C. D. Martin, Mr. E. F. Myers, Mr. G. H. Nichols, Mr. I. J. Oliver, Mr. K. L. Parker, Mr. M. N. Quinn, Mr. O. P. Reed, Mr. Q. R. Richmond, Mr. S. T. Roberts, Mr. U. V. Russell, Mr. W. X. Sanders, Mr. Y. Z. Shaw, Mr. A. B. Smith, Mr. C. D. Taylor, Mr. E. F. Thomas, Mr. G. H. Turner, Mr. I. J. Vance, Mr. K. L. Warren, Mr. M. N. Wells, Mr. O. P. White, Mr. Q. R. Wilson, Mr. S. T. Wood, Mr. U. V. Wright, Mr. W. X. Young, Mr. Y. Z. Ziegler.

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ELDERLY AND HANDICAPPED HOUSING

SECTION 202  
FEDERAL-HUD

This program provides housing and related facilities for the elderly or handicapped: Long-term direct loans are available to eligible private non-profit sponsors to finance rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The current interest rate is based on the average rate paid on Federal obligations during the preceding fiscal year. Section 8 funds are made available for 100% of the Section 202 units.

WHO APPLIES:

Private non-profit sponsors may qualify for loans. Households of one or more persons, the head of which is at least 62 years old or is qualified nonelderly handicapped between the ages of 18 and 62 are eligible to live in the structures.

CONTACT:

Stephen Wasko  
Housing & Development Division  
U.S. Department of HUD  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5154

## ELDERLY HOUSING

### CHAPTER 667

#### STATE-EOCD

Chapter 667 provides funds to local housing authorities to develop housing for low income elderly who are 62 and older and handicapped persons of any age.

Grants are awarded for new construction or major rehabilitation.

Residents live in conventional one-bedroom apartments or in congregate units.

Each conventional development consists of independent apartments sharing a community room, laundry and reception space.

For residents who choose not to have their own apartment, an alternative is to live in congregate housing. In congregate housing, each resident has a bed-sitting room and shares areas such as a living room, dining area, and kitchen. In congregate housing, residents who need additional support services to live independently receive assistance in arranging for those services from a congregate housing coordinator funded by the Department of Elder Affairs.

As in all state-funded public housing, the rents that tenants pay does not exceed 25% of their net income. Operating subsidies are provided for those projects where rental income cannot cover operating costs. Five percent of the units in each project must be specifically designed and made available to handicapped persons of any age.

#### WHO APPLIES:

The Local Housing Authority

#### CONTACT:

Dorothy Altman, Coordinator  
Bureau of Housing Development  
Executive Office of Communities and Development  
Room 1404  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-5884

## FAMILY HOUSING PROGRAM

### CHAPTER 705 STATE-EOCD

The Chapter 705 program provides scattered-site housing for low income families throughout the Commonwealth, through grants to local housing authorities. The program is designed to be flexible and can accommodate a wide range of activities. Local housing authorities use these funds to construct duplexes or small multi-unit structures, to purchase units in existing or newly constructed developments, including condominiums, or to rehabilitate existing structures such as school buildings.

Preference is given to proposals from local housing authorities which: (1) include town donated sites or contributions to acquire sites and (2) show willingness to develop balanced housing opportunities in the community, for families, elderly, and residents with special needs. Tenants under the 705 program pay a maximum of 25 percent of their net income toward rent.

#### WHO APPLIES:

Local housing authorities apply directly to the Executive Office of Communities and Development.

#### CONTACT:

Suzanne Barclay  
Family Housing Coordinator  
Bureau of Housing Development  
Executive Office of Communities  
and Development  
Room 1404  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-5884



FARM LABOR HOUSING  
FEDERAL-FMHA

This program is part of the Farmers Home Administration's Rural Housing assistance program. The grants and loans made under this program are for the construction, rehabilitation, and related development of housing for farm laborers. The housing is kept simple and low-cost and can be built on an individual farm or in a location that provides housing for a group of laborers. Funding for the program is not allocated to the State office, but rather is administered directly from Washington, D.C. The Farmers Home Administration's Massachusetts office helps in the preparation and submission of applications. Anyone interested in building this type of housing should contact the State office for assistance.

WHO APPLIES:

Individual Farmers, family farm cooperatives or partnerships and associations of farmers can apply for loans. State agencies, public and private non-profit organizations and local government and associations of farm workers can apply for grants as well as loans.

CONTACT:

John Cooper, Chief of Rural Housing Division  
Farmers Home Administration  
451 West Street  
Amherst, MA 01002  
(413) 253-3471

## THE GNMA-BACKED SECURITIES PROGRAM

### Program Overview

#### Federal - HUD

The Government National Mortgage Association (GNMA) through the Mortgage-Backed Securities Program guarantees privately issued securities backed by pools of mortgages. Holders of the securities (the investors) receive a "pass-through" of the principal and interest payments on the pool of mortgages, less amounts to cover servicing of costs and certain GNMA fees. The GNMA guaranty assures the registered holder of the security certificate of receiving the timely payment of scheduled monthly principal and interest and of certain prepayments and early recoveries of principal on the underlying mortgages. If borrowers fail to make timely payments on the mortgage, under the "modified pass-through" approach, the securities issuers must make timely payments to the registered holders, using their own resources.

The Mortgage-Backed Securities Program provides a means for channeling funds from the Nation's securities markets into the housing market. The U.S. Government full faith and credit guaranty of securities makes them widely accepted in those sectors of the capital markets that otherwise would not be likely to supply funds to the mortgage market. The funds raised through the securities issued are used to make residential and other mortgage loans. Through this process, the program serves to increase the overall supply of credit available for housing and helps to assure that this credit is available at reasonable interest rates. Statutory authority for the program is provided in Section 306(g) of the National Housing Act.

It authorizes GNMA to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust or pool composed of mortgages which are insured or guaranteed by the Federal Housing Administration (FHA), the Farmers Home Administration (FmHA), or the Veterans Administration (VA). GNMA guaranty of mortgage-backed securities is backed by the full faith and credit of the United States.

CONTACT:

GNMA Services Division  
Room 6210  
U.S. Department of HUD  
451 Seventh Street, S.W.  
Washington, D.C. 20410-9000



HOUSING ABANDONMENT

OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT  
STATE

OCED's Housing Abandonment Program targets residential properties which are partially or totally vacant deteriorated or tax delinquent. Grants are awarded to community-based or tenant organizations or municipal agencies to cover such front-end costs as emergency repairs, predevelopment work or interim management. Through these activities, the Housing Abandonment Program seeks to prevent abandonment and stimulate rehabilitation of abandoned or deteriorated buildings in economically depressed areas.

WHO APPLIES:

Community based or tenant organizations, municipal agencies and court appointed receivers. Proposals are due the first of every month.

CONTACT:

Bridget Nedzi, Housing Abandonment Coordinator  
Executive Office of Communities and Development  
Office of Community Economic Development  
100 Cambridge Street, Room 1103  
Boston, MA 02202  
(617) 727-7127

## HOUSING FOR PEOPLE WITH SPECIAL NEEDS

### Chapter 689

#### STATE-EOCD

The Chapter 689 program is a forerunner in the development of housing for people with special needs in the nation. This program has three proto-type development options. They are a shared house, a shared apartment, and an individual apartment. These options permit flexibility in the type of non-elderly citizens served, with special needs, including both the mentally and the physically disabled.

In addition to increasing the overall supply of accessible housing for low-income handicapped citizens, the Chapter 689 program is intended to promote equal housing opportunities in communities throughout the State, both in those cities and towns where handicapped programs are not available and in those where there is a limited supply of inexpensive rental housing.

Because of the diversity of urban, rural and suburban housing authorities and the specific requirements of people with special needs, the development options will be flexible to suit the needs of the community as well as the programmatic needs of the sponsor.

#### CONTACT:

Robert L. Nason  
Special Needs Housing Coordinator  
Executive Office of Communities and Development  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-5884

## LOW-INTEREST REHABILITATION LOANS

### Section 312 FEDERAL-HUD

This program, administered through local governments, provides rehabilitation loans to property owners at low interest, so that they may rehabilitate their properties to meet local code standards and do other repairs. The properties must be located in certain target areas undergoing concentrated improvements such as Community Development or Neighborhood Strategy Areas. Rehabilitation of single-family, multi-family, mixed-use structures, or commercial properties is allowable under the program.

#### WHO APPLIES:

Owners of properties located in the target areas may apply for these loans through their local Community Development Office which is generally located in the respective City or Town Hall.

#### CONTACT

You are advised to contact the city or town community development office to ascertain the availability of funds in your community or:

James Phieffer, Program Manager  
Office of Community Planning and Development  
U.S. Department of Housing and Urban Development  
Boston Federal Building  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5357



LOW-INTEREST REHABILITATION LOANS AND GRANTS  
FOR RESIDENTIAL PROPERTY

Rental Rehabilitation Program (Section 17)  
Federal - HUD

This Program, administered through local governments in eligible towns, provides either below market loans or grants to investors to upgrade rental housing units that will be available to section 8 Certificate or Housing Voucher holders. There are no rent limits but the property must be located in neighborhoods where the median income is less than 80 percent of the median income of the area. Assistance, whether in the form of a low interest loan or grant as determined by the local government administering agency, cannot exceed 50 percent of the cost of rehabilitation and \$5,000 per unit, except as adjusted for high-cost areas. Properties must meet local codes after rehabilitation but repairs do not have to be for code violations. Owners must also agree not to convert to condominiums for 10 years.

Who Applies:

Property owners submit applications to the local Community Development Office which is generally located in the respective city or Town Hall. HUD provides an annual allocation to individual cities.

CONTACT:

Contact the city or town Community Development Office to ascertain if funds are available in your town and the form of assistance or:

James Phieffer, Program Manager  
Office of Community Planning and Development  
U.S. Department of Housing & Urban Development  
Boston Federal Building  
10 Causeway Street  
Boston, MA 02222  
(617) 565-5357

MASSACHUSETTS HOUSING FINANCE AGENCY

STATE-MHFA

The Massachusetts Housing Finance Agency (MHFA) is a self-supporting state agency charged with financing and promoting the construction, purchase, and/or rehabilitation of housing in the Commonwealth for people of varied economic means.

The Agency accomplishes this by selling tax-exempt and taxable securities to private investors, and loaning sale proceeds to limited-profit developers, non-profit developers, and individuals, at interest rates which are lower than those available through conventional lenders.

WHO APPLIES:

These loans are provided for:

- the construction or the construction and permanent financing of new or rehabilitated mixed-income apartments or cooperatives in which a minimum of 20-25% of the units are reserved for low-income households;
- the purchase of newly-constructed single-family homes or existing one to four unit properties, in cooperation with participating Massachusetts lenders; and
- the rehabilitation or improvement of existing one to four family owner occupied homes, and,

Through these loan programs, the Agency has channeled over \$1.6 billion of private sector investment into housing efforts across the state.

CONTACT:

Public Information Department  
Massachusetts Housing Finance Agency  
50 Milk Street  
Boston, MA 02109  
(617) 451-3480

MODERATE REHABILITATION

Section 8  
FEDERAL-STATE/HUD-EOCD

This program is designed to encourage a landlord to improve his units by the guarantee of Section 8 rental assistance at an increased level in return for a negotiated level of improvements to bring the property up to minimum standards. The Section 8 guarantee will run for a term of 15 years during which the unit must be occupied by an eligible low-income family. These funds are administered through the local housing authority, or through a local community development agency under contract with the Executive Office of Communities and Development (EOCD).

WHO APPLIES:

Building owners in the designated communities should contact their local housing or Community Development office. Communities should contact EOCD.

CONTACT:

Local Housing Authority or  
Community Development Department

or

William Riley  
Bureau of Rental Assistance  
Executive Office of Communities  
and Development  
100 Cambridge Street  
(617) 727-7132

or

Stephan Wasko, Director  
Housing & Development Division  
U.S. Department of HUD  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5154



## MORTGAGE INSURANCE

### SECTIONS 221 (d) (3) AND (d) (4) FEDERAL-HUD

This program provides mortgage insurance to finance rental or cooperative multifamily housing for moderate-income households. The Department of Housing and Urban Development insures mortgages made by private lending institutions to help finance construction or substantial rehabilitation of multifamily (five or more units) rental or cooperative housing for moderate or displaced families, row, or walk-up, or elevator structures. Currently, the principal difference between the programs is that HUD may insure up to 100 percent of the total project cost under section 221(d) (3) for non-profit and cooperative mortgages but only up to 90 percent under section 221 (d) (4) irrespective of the type of mortgage.

#### WHO APPLIES:

Sections 221 (d) (3) and 221 (d) (4) mortgages may be obtained by public agencies, non-profit, limited-dividend or cooperative organizations, private builders or investors who sell completed projects to such organizations. Additionally, Section 221 (d) (4) mortgages may be obtained by profit motivated sponsors. Grant occupancy is not restricted by income limits.

#### CONTACT:

Stephen Wasko  
Housing & Development Division  
U.S. Department of HUD  
10 Causeway Street, 3rd Floor  
Boston, MA 02222  
(617) 565-5154

## NEIGHBORHOOD REINVESTMENT

### LOCAL - FEDERAL

The Neighborhood Reinvestment Corporation, successor to the Urban Reinvestment Task Force, is a nonprofit public corporation with direct Congressional funding.

Neighborhood Reinvestment offers proven revitalization programs to cities and neighborhoods. The organization also looks for new, promising tools and strategies which can be made available to community improvement efforts throughout the country.

The Corporation's primary mission is to assist local communities in revitalizing declining neighborhoods for the benefit of current residents. That goal is achieved primarily through the development and support of Neighborhood Housing Services (NHS) programs.

Neighborhood Reinvestment acts as a catalyst, stimulating the creation and development of public-private-resident partnerships. Through these partnerships, neighborhoods in need of assistance are being revitalized and people's lives improved.

Each NHS is a locally-initiated and funded private, nonprofit, corporation. It is governed by a working partnership of residents, business leaders, and government representatives, each contributing the resources at his or her disposal. The goal is to create a stable neighborhood characterized by a healthy real estate market, sound housing and other physical conditions, a positive community image and a core of neighbors committed to, and capable of, managing the continuing health of their neighborhoods once NHS phases out.



NHS offers comprehensive housing rehabilitation services to residents of the neighborhood and has had significant results in restoring confidence and improving the neighborhood. These services include rehabilitation counseling, construction assistance, financial counseling and loan referrals, as well as one of the most essential elements in the NHS program, the revolving loan fund. This fund is used to make loans to residents who not not meet normal, conventional credit standards. The fund provides every resident with the opportunity to improve their home. NHS now serves over 200 neighborhoos containing over 650,000 dwelling units in over 135 cities.

Over the past decade, Neighborhood Reinvestment has developed a range of complementary revitalization strategies, each targeted to fill a need still unmet in many neighborhoods extending beyond basic NHS service delivery. As resources permit, Neighborhood reinvestment makes these complementary strategies available to individual NHSS along with grant assistance and the training and technical assistance needed to maximize their effectiveness.

These strategies include:

The Apartment Improvement Program - revitalizing and preserving neighborhoods with multi-family housing.

Owner-Built Housing - effectively address the shortage of affordable homeownership opportunities for moderate-income families.

Problem Property Strategies - designed to address specific barriers to the revitalization process through the REhab and Sale Program and the Homeownership Promotion Program.

Neighborhood Commercial Management - assessment and analysis of commercial districts and markets; partnership organization; strategy development; and program implementation.

Mutual Housing Association - offering its membrts a housing option "between homeownership and rental." and enabling low and moderate-income families to acquire a quality home at affordable costs.

With increasing skill, Neighborhood Reinvestment and NHS partnerships are building on achievements throughout the county, the result is readily apparent in the enhanced quality of neighborhood life.



For further information on programs in Massachusetts:

CONTACT:

Neighborhood Reinvestment  
131 State Street, Suite 416  
Boston, MA 02109  
(617) 223-7675

Springfield NHS  
111 Wilbraham Road  
Springfield, MA 01109  
(413) 739-4737

Boston NHS  
33 Harrison Ave.  
Boston, MA 02111  
(617) 350-7071

Uphams Corner NHS  
584 Columbia Road, P.O. Box 700  
Dorchester, MA 02125  
(617) 282-2900

Chelsea NHS  
162 Shawmut Street  
Chelsea, MA 02150  
(617) 889-1375

Quincy NHS  
266 Water Street  
Quincy, MA 02169  
(617) 770-2227

Lawrence NHS  
1 Butler Street  
Lawrence, MA 01841  
(617) 682-9010

Mission Hill NHS  
1530 Tremont Street  
Boston, MA 02120  
(617) 442-5449

Mt. Bowdoin/Glenway NHS  
7 Bowdoin Street  
Dorchester, MA 02124  
(617) 265-7934

Cambridge NHS  
678 Massachusetts Ave., Room 203  
Cambridge, MA 02139  
(617) 491-1545

PROPERTY IMPROVEMENT LOAN INSURANCE

Title I

FEDERAL-HUD

This program provides loan insurance to lending institutions for loans made to eligible owners or renters. The loans can be used to finance alterations and improvements to homes and non-residential structures. This program can be used effectively in conjunction with local CDBG property rehabilitation programs. Loans are also used to bring units into compliance with HUD minimum property standards for rehabilitation. Maximum loan amounts are \$17,500 for single family units, or \$8,750 per unit for multi-family structures up to a maximum of \$43,750. (See next page: Basic Characteristics of Title I)

WHO APPLIES:

Any credit worthy property owner or tenant with a lease at least six months longer than the term of the loan may apply for this assistance.

CONTACT:

Any FHA-HUD approved lending institution.

or

Judith Smith, Title I Representative  
U.S. Department of Housing and Urban Development  
10 Causeway Street  
Boston, MA 02222-1092  
(617) 565-5387

## BASIC CHARACTERISTICS OF TITLE I

Title I is oriented toward conventional lending practices of the private sector more than any other Federal housing program. Loan processing and credit determinations are done by participating financial institutions, and lenders are encouraged to use their normal credit standards in making decisions on individual loans. In fact, the Title I Handbook required lenders to "find borrowers to be solvent with reasonable ability to pay the Obligation", and in other respects (to be) a reasonable credit risk.

Normally, the processing of Title I loans takes one week or less. Unlike other Federal housing programs, HUD does not review individual loans at the time of approval, except when the amount of the loan exceeds \$17,500. Such applications involve multi-unit structures and must be sent to the local HUD office for prior approval.

The lending institutions originate and service Title I loans from their own funds and collect all payments. HUD's role is to provide insurance against loan defaults. In return for lender payment of an insurance premium amounting to 1/2 percent of the net proceeds of each loan, the Federal Government established an "insurance reserve" for every participating lender. Financial institutions can draw on this reserve to defray 90 percent of any losses due to default.



Title I loans differ from other lending tools, particularly conventional and federally-insured mortgages. The property improvement loans cannot be used for purchase of property, and refinancing of existing indebtedness is limited to cases where there are preexisting Title I obligations. Eligibility for Title I loans is not based on the appraised value of the property to be improved or mandated HUD standards. Rather, loan decisions are based on the credit-worthiness of applicants as determined by the lending institutions. Such standards primarily consider an applicant's ratio of outstanding indebtedness and/or housing costs (including the projected new obligation) to total income. Previous credit history, as ascertained through a credit check by the lender, is also an important factor in loan decisions.

Title I loans in excess of \$2,500 must be secured by a recorded lien on the improved property. This security can fall in line of priority after existing encumbrances on the property, i.e., in a second or third position. Federal regulations pertaining to the lien do not mandate a formal property appraisal, and most participating lenders do not make such appraisals for Title I loans. A title search need not be done unless required by State law.

The insured loans shall bear interest at a rate agreed upon between the borrower and the financial institution. Many lenders participate in local housing rehabilitation programs that provide property improvement loans at rates below the current lending rate.

HUD regulations require lenders to monitor construction progress on Title I Loans. The lender or its agent shall conduct an on-site inspection on any property improvement loan where the principal obligation is \$7,500 or more and on 10 percent of its property improvement loans where the principal obligation is less than \$7,500. The inspection shall be conducted after receipt of the completion certificate.

CLASS I - EXISTING STRUCTURES

Presently occupied; formerly occupied; or damaged by deterioration, fire or other casualty. If loan is over \$600 net: completed for use, new residential --completed and occupied for 90 days. Non-residential--completed and must have a definite use.

	STRUCTURE	IMPROVEMENT	MAX. MATURITY	MAX. \$	MAX. INT
1(a)	Completed homes, apts. hotels, office bldgs. hospitals, orphanages, colleges, churches Manufacturing industrial plants, mobile homes (immobile), taxed as real property see HUD-4700.1, 1-7a)	Repairs, alterations or improvements that substantially improve the basic liveability or utility: enlargement, flooring, porch roof, plumbing, wiring painting, plastering, heating systems, landscaping, installed sprinklers, sidewalks, curbs, fences, drives, septic tanks, wells...built-in kitchens, carpeting (4700.1, 1-7)	15 yrs.	\$17,500	%
(b)	Dwelling for two or more families	Alteration, repairs, improvement of existing structure used or to be used as dwelling for 2 or more families	15 yrs +\$17,500 32 days	\$ 8,750 unit max. \$43,750	%

CLASS II - New Structures

	STRUCTURES	IMPROVEMENT	MAX. MATURITY	MAX. \$	MAX. INT.
2(a)	Garages, service bldgs., gasoline stations, industrial or commercial bldgs.	Construction of a new structure to be used exclusively for other than residential or agricultural purposes	15 yrs. + 32 days	\$17,500	8
2(b)	Barns, service bldgs. bunk houses for itinerant farm laborers	Construction of a new nonresidential structure to be used in whole or in part for agricultural purposes	Unsec'd. 12 yrs. + ----- Secured 15 yrs + 32 days	\$17,500	8

This is a guide only: specific rulings on eligible improvements (HUD-4700.1,1-5)



## RENTAL ASSISTANCE - EXISTING HOUSING

### Section 8 FEDERAL-HUD

This rental assistance program is federally funded and awarded through the U.S. Department of Housing and Urban Development. The two different components of the program are the Section 8 Certificates guaranteeing an owner the difference between one month's rent, (which rent cannot exceed the prescheduled Fair Market Rent) and 30% of the tenant's income, and Section 8 Vouchers providing the tenant a fixed subsidy, leaving the tenant free to rent a unit at any rental cost. Annually the HUD Area Office distributes its allotment of Section 8 Certificate and Vouchers to local housing authorities and to the Executive Office of Communities and Development (EOCD). The Certificates and Vouchers are then assigned on the basis of waiting lists, to an eligible, very low-income family for use in obtaining housing. Some of these rental subsidies are administered through local housing authorities, and some by EOCD through regional non-profit groups, and its own Metropolitan Housing Assistance Corporation (Met HAC), which operates the program in the greater Boston area. The procedures are not complicated, and the end result is that after an approved unit has been selected, approved for occupancy, and all the agreements signed, the landlord receives the monthly subsidy from the administering agency and the balance in rent is then paid by the tenant. The term of the Certificate and Voucher, provided the income limitations are not exceeded, is usually 5 years.

WHO APPLIES:

Any local housing authority and EOCD can respond to an annual notice of funding availability.

CONTACT:

Mary Ann Morrison, Coordinator      or  
Federal Rental Assistance Programs  
Bureau of Rental Assistance  
Executive Office of Communities  
and Development  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-7132

Richard Kluck, Director  
Management Division/Office of  
Public Housing  
U.S. Department of Housing and  
Urban Development  
10 Causeway Street  
Boston, MA 02222  
(617) 565-5217

## RENTAL ASSISTANCE PROGRAM

### CHAPTER 707 STATE-EOCD

This program provides funding to local housing authorities or non-profits under contract with EOCD. These agencies in turn help eligible low-income families and individuals locate housing, and contract with the landlord for the rental subsidy. An important element of this program is the targeting of allocations as part of neighborhood improvement programs, providing subsidies for fixed income private market housing projects, and developing residential service programs in affiliation with the Executive Office of Human and its agencies (Department of Mental Health, Department of Social Services, ect.). The program also has a rehabilitation work conducted..

#### WHO APPLIES:

Local housing authorities and designated non-profit housing corporations.

#### CONTACT:

Ann O. Anderson  
Bureau of Rental Assistance  
Executive Office of Communities and Development  
Room 1406  
100 Cambridge Street  
Boston, MA 02202  
(617) 727-7132



## RURAL RENTAL HOUSING

### FEDERAL-FMHA

This Farmers Home Administration (FmHA) program provides mortgage financing for the development of rental housing in communities with a population of less than 10,000, and those towns between 10,000 and 20,000 not located in a Standard Metropolitan Area or contiguous to a larger urban center. Many of Massachusetts' smaller urban centers qualify in this sense as "rural." Applications are prioritized by the Farmers Home Administration to projects in areas or communities having a higher percentage of substandard housing; projects in areas or communities having the lowest median per capita income; located furthest from urbanized areas; and communities that do not currently have subsidized rental housing. Generally, projects do not exceed 40 units. An eligible borrower may receive an interest credit subsidy which may reduce the interest rate to as low as 1%. This interest rate reduction is passed on to eligible tenants in the form of reduced rental rates.

### WHO APPLIES:

Individuals, non-profit corporations, consumer cooperatives, public housing authorities, limited partnerships, and private corporations apply directly to the Farmers Home Administration.

### CONTACT:

John Cooper, Chief of Rural Housing Division  
Farmers Home Administration  
451 West Street  
Amherst, MA 01002  
(413) 253-3471

## URBAN HOMESTEADING PROGRAM

### FEDERAL

The Urban Homesteading Program provides homeownership opportunities to low and moderate-income individuals who are willing to invest in a rehabilitated property. Essentially, the Urban Homesteading Program rehabilitates vacant and abandoned properties and makes them available to prospective homebuyers at a price equal to the fair market value. Funding for the program is derived from federal Section 810 funds and CDBG funds.

The Urban Homesteading Program also offers buyers the added advantage of reducing the overall cost of the acquisition of the property through the use of "sweat equity" rehabilitation. Homesteaders are allowed credit for performing "sweat equity" repair items, usually painting and papering; however, major systems repairs are completed by the Urban Homesteading Program before the buyer occupies the property. The Program also assists homesteaders in accumulating funds for settlement costs through participation in the Homestead Property Settlement Fund. After an initial deposit, monthly payments are made for a period of up to 4 months into the fund, thus accruing funds for the necessary costs.

The Urban Homesteading Program is operated in conjunction with local neighborhood community development corporations in the following neighborhoods: Upham's Corner, Dorchester (Dorchester Bay Economic Development Corporation); Meeting House Hill, Dorchester (Ronan Neighborhood Association, Inc.); Codman Square, Dorchester (Codman Square Housing Development Corporation); Franklin Field and Roxbury (Roxbury Multi-Service Center); Jamaica Plain (Urban Edge, Inc.); and East Boston (E.B.C.D.C., Inc.).

WHO APPLIES:

Homesteaders are selected by each participating locality. The gross annual income for a single participant cannot exceed \$27,000 or \$32,000 per family.

CONTACT:

Joyce B. Montgomery  
Real Estate Coordinator  
Urban Homesteading Program, Public Facilities Department  
26 West Street, 6th Floor  
Boston, MA 02111  
(617) 725-3179



## LABOR FORCE TRAINING AND PLACEMENT ASSISTANCE

Both financial assistance and direct training activities are offered to expanding firms in Massachusetts. It is important to explain that most of the direct training programs are decentralized at the local or regional level. Federally financed training, cash reimbursements and practical training services may be obtained through local or regional agencies. Listed below are the types of assistance which may be available to an individual firm depending on the needs of that firm.

General information and explanations may be obtained from the Massachusetts Department of Commerce in Boston, Massachusetts.

## BAY STATE SKILLS CORPORATION

### STATE-BSSC

The Bay State Skills Corporation (BSSC) is a funding organization, created by the State Legislature and funded with \$3 million annually. The Corporation's main objective is to increase industry responsive education and skills training programs through the Commonwealth.

The quasi-public corporation was created:

- to encourage and facilitate the formation of comprehensive cooperative relationships among business, industry, labor, government and education and thereby develop and expand programs of skills training that are consistent with employment needs.
- to provide grants to educational and training institutions to fund skills training programs consistent with employment needs, to be matched with equal private sector support.
- collect and disseminate information on present and future employment needs as well as the availability of skills training and education in these areas.

The Corporation funds a diversity of skills training programs at all levels - from entry level to advanced from upgrading in a mature industry occupation to retraining for new technologies. Applications for grants are reviewed quarterly.

BSSC works to increase the availability of skilled workers in Massachusetts by awarding grants to education and training institutions. In order to receive BSSC support, these institutions must:

- be located in Massachusetts and be non-profit institutions;
- offer programs of specific skills training that meet demonstrated private sector employer need.
- link up with one or more private companies, which have both expressed a need for skilled people and are willing to provide at least one dollar of private match or in kind services and equipment for every dollar sought from BSSC.

The educational institution enters into an agreement with the participating private companies. These companies are under no obligation to hire the men and women they help to train but are encouraged to compete for them in the employment marketplace.

BSSC has two additional programs described on the following pages: Displaced Home Makers and Training For Welfare Recipients -ET choices.

#### WHO APPLIES:

Individual companies or a consortia of employers that cannot find enough skilled people such as technicians, machine operators, engineers, clerical workers, laboratory assistants, and others. Educational institutions which wish to train and educate people to meet direct industry personnel shortages.

#### CONTACT:

Susan K. Moulton  
Executive Director  
Bay State Skills Corporation  
101 Summer Street  
Boston, MA 02110  
(617) 292-5100



## BAY STATE SKILLS CORPORATION

### Displaced Homemakers

The Bay State Corporation is a multi-faceted agency addressing the need for a skilled workforce in Massachusetts. One BSSC component which provides some of the skilled workers is the Displaced Homemaker Program.

Twelve years ago, activist Tish Sommers coined the term "displaced homemaker" to represent a phenomenon that had reached crisis proportion. Displaced Homemakers are persons who, because of a spouse's death, disability, divorce or loss of public assistance, must enter the workforce in order to pay the bills and feed the kids. There are an estimated 11 million such persons, mostly women, in the United States today, more than 150,000 of whom live in Massachusetts.

Since 1979, when state funds were first appropriated, the Massachusetts Displaced Homemaker Program has grown into a statewide program called the Bay State Centers for Displaced Homemakers. There are 5 key regions and 25 offices providing counseling, workshops, skills training, education programs and job placement assistance. In 1987 Displaced Homemaker services, with \$898,162, provided the path to economic self sufficiency for more than 1,600 individuals.

#### CONTACT:

Susan K. Moulton  
Executive Director  
Bay State Skills Corporation  
101 Summer Street  
Boston, MA 02110  
(617) 292-5100

## BAY STATE SKILLS CORPORATION

### Training for Welfare Recipients - ET CHOICES

Since 1983, BSSC has been part of the state's ET CHOICES Program to develop skills training programs that enable recipients of Aid to Families with Dependent Children become economically self-sufficient. BSSC training programs for welfare recipients include both marketable skills training and effective support systems. In FY '87, BSSC funded 14 ET CHOICES programs and trained 335 individuals with grants of more than \$812,000. Over its four years of participation in the ET CHOICES program, BSSC has awarded almost \$2.5 million to contractors who have served more than 1,200 welfare recipients.

The service sector in Massachusetts is experiencing exceptional growth. A number of entry-level skills training programs in the secretarial, health, electronics and property management fields were offered to help meet the demand for trained personnel. Private sector donations to the BSSC ET programs over the past four years exceeded \$1,350,000, for a match of 54%. (The required match is 20%) These corporate contributions have built strong business/education partnerships for the programs.

Supportive services are an integral part of BSSC's ET CHOICES skills training programs. In an effort to address the needs of the whole person, some innovative services have been put in place. For example, the Worcester YWCA provides day care slots for children of program participants. This YWCA also encourages use of their fitness center and has given full fitness center memberships to the first graduating class.

Another program, Somerville Center for Adult Learning Experiences (SCALE) provides extensive family counseling and post job placement workshops are scheduled monthly and often are delivered by private sector employers to assist in making a smooth transition into the world of work and to provide career advancement guidance. Other BSSC ET CHOICES programs also incorporate supportive services to address the numerous issues faced by the program participants.

CONTACT:

Susan K. Moulton  
Executive Director  
Bay State Skills Corporation  
101 Summer Street  
Boston, MA 02110  
(617) 292-5100



## CARAVAN for Commuters, Inc.

CARAVAN for Commuters, Inc. designs and implements commuter mobility programs for employers, industrial developers, public and private organizations and local communities. Working on an individual case basis, CARAVAN tailors these programs to meet the commuter transportation needs of each specific client.

Funded by the Massachusetts Department of Public Works, CARAVAN is a private, non-profit corporation which provides technical assistance in program development, promotion, organization and implementation of commuter mobility programs free of charge to clients throughout Massachusetts.

CARAVAN's corporate and community programs include:

Employment Recruitment: CARAVAN's vanpools expand employers' effective recruiting range by providing new hires with convenient and economical transportation to the worksite. Vanpools have been successfully applied to many recruiting situations throughout the state including transporting seasonal workers and connecting skilled laborers with a waiting job market outside of their hometown area.

Corporate Relocation: CARAVAN provides employers moving some or all of their personnel to new sites with concrete solutions to logistical commute problems inherent in any relocation. Relocation programs can include company-wide rideshare campaigns to facilitate carpooling, vanpool formation, shuttles and subscription bus service to new sites.

RideSource: CARAVAN's computerized ridematching system matches employers with similar commuting routes and provides complete vanpool, carpool and mass transit information. The RideSource program can be installed on any IBM PC (XT/AT) or compatible, at the worksite with no change to users. CARAVAN also provides training and technical support after the system is operational. RideSource is easily applied to single-site companies, industrial park settings and individual communities.

Multi-Modal Links: CARAVAN's vans may also be used as shuttles connecting companies with mass transit stations. Shuttles are particularly suited to suburban settings which are often isolated from bus, train and subway extensions.

Who Works With CARAVAN: Private Corporations, Public/Private Training and Employment Agencies, Industrial Developers, Residential Developers, Town Officials, Individuals or Groups of Commuters and Division of Employment Security.

CONTACT:

Kay Powers, Manager  
Marketing & Communications  
CARAVAN for Commuters, Inc.  
Suite 2180  
Ten Park Plaza  
Boston, Ma 02116  
(617) 973-7189

## LABOR FORCE TRAINING ASSISTANCE

### THE OFFICE OF TRAINING AND EMPLOYMENT POLICY

The Office of Training and Employment Policy is the state agency responsible for the policy development, administration and oversight of job training programs operated throughout the Commonwealth. OTEP works closely with business, foundations and federal, state and local agencies to create a diverse network of education, training and employment options for more than 40,000 people each year.

Programs are planned and managed locally in 15 Service Delivery Areas (SDA's). A Private Industry Council (PIC) in each area acts as the business-led board of directors for the regional employment and training system. The PIC brings together top corporate executives, educators labor representatives and public sector officials who set goals and evaluate local performance. Daily operations are administered by SDA staff who run their own programs and contract with private companies, community-based organizations, educational institutions, or other state agencies to bring training and educational services to youths and adults throughout Massachusetts.

Through the Private Industry Councils, the training and employment system actively seeks business' voice in planning services that match industry needs and worker skills. Customized training, recruitment assistance, on-the-job training, upgrading and retraining, workplace education and other human resource programs are available to help small and large firms meet their personnel needs. Local employers can contribute to the development of a strong workforce by participating in program planning and development, hiring



trainees, contributing matching dollars or in-kind resources, volunteering as tutors or quests speakers, and by working with the PIC to build support for job training in the community.

CONTACT:

Office of Training and Employment Policy  
Executive Office of Economic Affairs  
Commonwealth of Massachusetts  
C.F. Hurley Building, 4th Floor  
Government Center  
Boston, MA 02114  
Catherine N. Stratton, Associate Secretary  
(617) 727-2252



## Foundations

There are many foundations operating both statewide and nationwide that provide assistance to communities, organizations, and occasionally individuals, involved in community planning and economic development.

The Foundation Directory, published by the Foundation Center in New York is the standard reference for information about these nongovernmental grantmaking organizations, and should be used by entities wishing to explore this resource for funding.

The following provides a representative sample of Massachusetts and national foundations involved in economic development.





The Acushnet Foundation  
Acushnet Rubber Division  
744 Belnille Avenue  
New Bedford, MA 02745  
(617) 997-2811

Trust established in 1953 in Massachusetts.

Donor(s): Acushnet Company.

Purpose and Activities: Primarily local giving for community funds, hospitals, higher education, and youth agencies. No grants to individuals.

Contact:

Richard B. Young, Trustee.

Grant Application Information: Initial approach by letter or telephone; submit 1 copy of proposal; board meets as required.

Bird Companies Charitable Foundation, Inc.  
Washington Street  
East Walpole, MA 02032  
(617) 668-2500

Incorporated in 1967 in Massachusetts.

Donor(s): Bird & Son, Inc., Bird Machine Company, Inc.

Purpose and Activities: Broad purposes; grant emphasis on community development and natural resources. Additional consideration to projects related to corporate locations as determined by local committees. Emphasis on seed monies. No grant to individuals.

Contact:

Joseph C. K. Breiteneicher, Executive Director

Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter, telephone, or full proposal in 1 copy; board meets quarterly in February, May, August, and October.

Cabot Corporation Foundation, Inc.

125 High Street  
Boston, MA 02110  
(617) 423-6000

Incorporated in 1953 in Massachusetts.

Donor(s): Cabot Corporation

Purpose and Activities: Broad purposes; emphasis on higher education, including matching employee gifts, community needs, including economic opportunity, social services, youth development, and community funds.

Primarily local giving in communities near Cabot corporate installations in Texas; Douglas County, Illinois; Howard County, Indiana; St. Mary Parish and Evangeline Parish, Louisiana; Kanawha County, West Virginia; and Boston. No grants to individuals, for medical or scientific research projects, or for use outside the United States. Report published annually.

Financial Data (yr. ended 9/30/79): Assets, \$1,999,787 (M); gifts received, \$580,000; expenditures, \$706,481, including \$461,465 for 167 grants (high: \$25,000; low: \$25) and \$243,235 for matching gifts.

Officers: Thomas D. Cabot, President; Norton Q. Sloan, Vice-President and Treasurer; Louis W. Cabot, Robert A. Charpie, Michael J. Widmer, Vice Presidents; Charles A. McDowell, Secretary and Executive Director.

Directors: MaryEllen Cabot, Arthur H. Phillips.

Contact:

Charles A. McDowell, Executive Director.

Grant Application Information: Initial approach by telephone or letter; submit 1 copy of proposal; application deadline 1 month prior to meetings; board meets 5 times a year in January, April, June, September, and November.

Employer Identification No.: 046035227

Fidelity Foundation

82 Devonshire Street  
Boston, MA 02109

Trust established in 1965 in Massachusetts.

Donor(s): FMR Corp.

Purpose and Activities: Broad purposes: with emphasis on health, education, community development, and the arts. No grants to individuals.

Financial Data (yr. ended 12/31/86): Assets, \$19,924,074 (M); gifts received, \$7,776,182; expenditures, \$1,064,780, including \$951,069 for 297 grants (high: \$100,000; low: \$100).

Trustees: Edward C. Johnson 3rd, Caleb Loring, Jr., Ross E. Sherbrooke.

Contact:

Anne-Marie Soulliere, Foundation Director, Fidelity Investments

Grant Application Information: Initial approach by full proposal in 1 copy; board meets in June and December.

Employer Identification No.: 046131201



Filene (Lincoln and Therese) Foundation, Inc.  
c/o Nutter, McClennen & Fish  
One International Place  
Boston, MA 02110-2699  
(617) 439-2000

Incorporated in 1937 in Massachusetts.

Donor(s): Lincoln Filene

Purpose and Activities: General purposes, including particularly the scientific investigation of the causes of economic distress; grants largely for higher education, music, and the performing arts. Funds largely committed to long-term support of existing projects.

Financial Data (yr. ended 1/31/79): Assets, \$6,765,083 (M) gifts received, \$82,881; expenditures, \$575,208 including \$541,650 for 21 grants (high: \$100,000; low: \$100).

Officers and Directors: Lincoln F. Ladd, President John K. P. Stone, III, Secretary-Treasurer; David A. Robertson, Jr., Catherine F. Shouse, Robert M. Ladd

Contact:

John K. P. Stone, III, Secretary.

Grant Application Information: Initial approach by letter; submit 1 copy of proposal preferably in May or January; board meets semiannually in May and January.

Employer Identification No.: 237423946

Ford Foundation  
320 East 43rd Street  
New York, NY 10017  
(212) 573-5000

Incorporated in 1936 in Michigan.

Donor(s): Henry Ford. Edsel Ford.

Purpose and Activities: To advance the public welfare by identifying and contributing to the solution of problems of national and international importance. Grants primarily to institutions for experimental, demonstration, and developmental efforts that are likely to produce significant advances within the Foundation's six major fields of interest: urban poverty and the disadvantaged -- including community and neighborhood self-help initiatives, improvement of secondary education, educational and employment programs for disadvantaged youth and for welfare recipients, child care, health and nutrition services, reduction of street crime and arson, housing rehabilitation, and research on urban problems; rural poverty and resources -- including community-based efforts, national policy planning, income-generating projects, improvement of opportunities for women, the landless, and migrants and management of land and water resources; human rights and social justice -- including civil rights, sex discrimination, and the rights of refugees and migrants; education and culture -- principally support for excellence and equity in higher education and arts programs; international affairs -- analysis, research, dialogue, and public education on such issues as policies affecting immigrants and refugees, arms control and international security, and the changing world economy and U.S. foreign policy; and governance and public policy issues, experiments in delivering government services, and development strategies of Third World countries.



Financial Data (yr. ended 9/30/86): Assets, \$4,758,862,000; expenditures (including grants paid and administrative costs), \$244,350,380

Officers: Franklin A. Thomas, President; Barron M. Tenny, Vice President, Secretary and General Counsel; Susan V. Berresford, Vice President; William D. Carmichael, Vice President; John W. English, Vice President; John Koprowski, Treasurer; Diane L. Galloway, Assistant Secretary; Barry Gaberman, Deputy Vice President; John D. Gerhart, Deputy Vice President.

Trustees: Alexander Heard, Chairman; Edson W. Spencer, Vice Chairman; Franklin A. Thomas, President; Rodrigo Botero; Ralf Dahrendorf; Nina G. Garsoian; A. Bartlett Giamatti; Donald F. McHenry; Paul F. Miller, Jr.; William G. Milliken; Donald S. Perkins; Barbara Scott Preiskel; Harriet S. Rabb; Henry B. Schacht; Glenn E. Watts; Thomas H. Wyman.

Contact:

Barron M. Tenny, Secretary

Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter; submit one copy of proposal; board meets quarterly in September, December, March, and June.

International Paper Company Foundation

International Paper Company Plaza

77 West 45th Street

New York, NY 10036

(212) 536-5986

Incorporated in 1952 in New York.

Donor(s): International Paper Company.

Purpose and Activities: Broad purposes; grants primarily for model projects in Company communities and selected programs with potential national impact, with focus on pre-college levels of economic and career education, programs for minorities and women's career development, and community and cultural affairs. Operates own program of Aid to Public Secondary Education. No grants to individuals or for endowment funds.

Financial Data (yr. ended 12/31/70): Assets, \$13,159,297 (M); gifts received, \$2,183,429; expenditures, \$2,162,773, including \$1,722,714 for 175 grants (high: \$406,442; low: \$500) and \$160,279 for 933 matching gifts.

Officers: F. Lee Foster, President; Sandra L. Kuntz, Gladys F. Waltemade, Vice Presidents; F. Winifred Brown, Secretary; John McDonough, Treasurer.

Directors: William Dodenhoff, Arthur W. Harrigan, Ralph W. Kittle, William L. Lurie, Dana G. Mead, William R. Pollert, John J. Stephens, Gardiner L. Tucker.

Contact:

Sandra L. Kuntz, Vice President, Education Programs; Gladys F. Waltemade, Vice President, Contributions and Administration.

Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter, telephone, or full proposal in 1 copy; application deadline previous summer for next calendar year; board meets in spring, fall and as required.

Employer Identification No.: 136155080

Kendall (The Henry P.) Foundation  
One Boston Place  
Boston, MA 02108  
(617) 723-8728

Trust established in 1957 in Massachusetts.

Donor(s): Henry P. Kendall family.

Purpose and Activities: General purposes; largely local giving, with special interests in environmental matters. No grants to individuals, for building or endowment funds, or special projects.

Financial Data (yr. ended 12/31/79): Assets, \$29,591,222 (M); gifts received, \$61,789; expenditures, \$1,524,379, including \$1,321,327 for 88 grants (high: \$100,000; low: \$100).

Officer: Robert L. Allen, Vice President.

Trustees: Henry W. Kendall, John P. Kendall, John E. Rogerson.

Contact:

Robert L. Allen, Vice-President.

Grant Application Information: Initial approach by letter; submit 1 copy of proposal; board meets as required.

Employer Identification No.: 046029103

Lavanburg (Fred L.) Foundation  
950 Third Avenue, 30th floor  
New York, NY 10022  
(212) 371-5060

Incorporated in 1927 in New York.

Donor(s): Fred L. Lavanburg

Purpose and Activities: Major objectives related to the improvement of low and middle income housing and design, the development of neighborhood, city and regional planning, and the movement to resolve problems associated with family and community living. No grants to individuals, for building or endowment funds, or operating budgets. Foundation initiates most of its own programs.

Financial Data (yr. ended 12/31/86): Assets, \$1,708,031 (M); expenditures, \$164,661, including \$105,270 for 7 grants (high: \$30,000; low: \$5,000).

Officers: Oscar S. Straus, President; Rowley Bialla, Secretary; Richard M. Rossbach, Treasurer; John T. Barnes, Asst. Treasurer.

Trustees: Mrs. Myron S. Falk, Jr., Leonard A. Hockstader II, James A. Kingsland, Oscar S. Schaier, Jr., Roger Schafer, Anne H. Lindgren, Alfred Ogden, Oscar S. Straus III, Harold S. Williams

Honorary Trustee: Chloethiel W. Smith, F.A.I.A.

Contact:

Oscar S. Straus, President.

Grant Application Information: Initial approach by letter or full proposal in 1 copy; submit proposal preferably in the fall; board meets as required.



Lilly Endowment, Inc.  
2801 North Meridian Street  
P.O. Box 88068  
Indianapolis, IN 46208  
(317) 924-5471

Incorporated in 1937 in Indiana.

Donor(s): J. K. Lilly, J. K. Lilly.

Purpose and Activities: "The promotion and support of religious, educational or charitable purposes." Giving emphasizes projects that depend on private support, with a limited number of grants to government institutions and tax-supported programs. Special interest in innovative programs that work to produce positive changes in human society, promote human development, strengthen independent institutions, encourage responsive government at local, state, and national levels, and improve the quality of life in Indianapolis and Indiana. Grants for health care, biological and physical science research, housing, transportation, environment, mass media, or population; rarely for building or endowment funds, scholarships, or for more than a two-year period. No grants to individuals. Report published annually.

Financial Data (yr. ended 12/31/79): Assets, \$812,877,257 (M); expenditures, \$24,345,807, including \$20,703,626 for 321 grants (high: \$5,000,000; low: \$5,730).

Officers: Thomas H. Lake, Chairman and President; Richard O. Ristine, Executive Vice President and Secretary; Robert A. Johnson, Executive Vice President and Treasurer; Laura A. Bornholdt, Vice President, Education; Robert W. Lynn, Vice President, Religion; James T. Morris, Vice President.

Directors: Byron P. Hollett, Eli Lilly II, Eugene F. Ratliff, Margaret Chase Smith, Herman B. Wells, Richard D. Wood.

Contact:

Richard O. Ristine, Executive Vice President.

Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter; submit 1 copy of proposal; board meets 5 times a year in February, April, June, September, and November.

Employer Identification No.: 350868122

Mott (Charles Stewart) Foundation  
1200 Mott Foundation Building  
Flint, MI 48502-1851  
(313) 238-5651

Incorporated in 1926 in Michigan.

Donor(s): Charles Stewart Mott, and family

Purpose and Activities: The Mott Foundation has long been interested and involved in improving the quality of life through community self-improvement - from within neighborhoods to within city hall, through education, social welfare, economic development and environmental management. That concern is still evident today in the Foundation's grantmaking interests and priorities. No grants to individuals or for building or endowment funds. Report published annually.

Our current activities are focused in eight major national areas:

- At-risk youth, including adolescent pregnancy.
- Community education
- Community foundations and other philanthropic issues
- Economic development and neighborhood revitalization
- Employment and training
- Environment and conservation
- Historically black colleges
- Social welfare

In addition, we fund a variety of activities in our home community, Flint, Michigan.

- Financial Data: (yr. ended 12/31/86): Assets, \$736,873,249 (M); \$21,663,260 for 304 grants (high: \$2,000,000; low \$700).

Officers: C.S. Harding Mott, Chairman and Treasurer; William S. White, President; Willard J. Hertz, Vice President for Planning and Dissemination; Robert E. Swaney, Vice President for Investments; Frank Gilsdorf, Vice President for Program Administration; Richard K. Rappleye, Secretary-Treasurer. Trustees: Marjorie Powell Allen, Jr., Charles B. Cummings, Maryanne Mott Meynet, C.S. Harding Mott, II, Willa B. Player, John W. Porter, Harold P. Rodes, George L. Whyel. William H. Piper.

Contact:

Frank Gilsdorf, Vice President for Program Administration.

Grant Application Information: Program Statement and grant application guidelines available; initial approach by letter; board meets quarterly beginning in March.

Employer Identification No.: 381211227



Norman Foundation, Inc.  
215 East 62nd Street  
New York, NY 10021  
(212) 759-7185

Incorporated in 1935 in New York.

Donor(s): Aaron E. Norman, and directors of the Foundation.

Purpose and Activities: Broad charitable purposes; major interests include the protection of civil rights and civil liberties, and, in general, broadening and improving the quality of citizen participation particularly in the economic processes of American communities. No grants to building and endowment funds, to individuals, or to provide ongoing support for programs which are not essentially innovative or demonstrative or for organizations having broad public support. No grants for films, publications, conferences, or broadcasting; no funds for research, scholarships, or fellowships. Report published triennially.

Financial Data (yr. ended 12/31/79): Assets, \$6,045,105 (M); gifts received, \$5,000; expenditures, \$464,383, including \$380,000 for 78 grants (high: \$32,500; low: \$100).

Officers: Andrew E. Norman, Chairman and Treasurer; Frank A. Weil, President; Lucinda W. Bunnell, Phoebe W. Franklin, Vice Presidents; Nancy N. LaSalle, Secretary; Jody Adams Welsbrod, Program Director.

Directors: Andrew D. Franklin, Deborah W. Harrington, Abigail Norman.

Contact:

Jody Adams Welsbrod, Program Director

Grant Application Information: Program policy statement and grant application guidelines available in triennial report; initial approach by full proposal in 1 copy; board meets quarterly in February, June, October, and December.

Employer Identification No.: 131862694

Rothschild (Herbert and Nannette) Fund, Inc.  
c/o David Tarlow & Co.  
60 East 42nd Street  
New York, NY 10165

Incorporated in 1948 in New York.

Donor(s): Herbert M. Rothschild, Nannette F. Rothschild, and others.

Purpose and Activities: Broad purposes; general giving, with emphasis on the arts, including museums, community development, and religious associations.

Financial Data (yr. ended 12/31/79): Assets, \$1,980,669 (M); expenditures, \$201,387, including \$183,402 for 139 grants (high: \$56,819; low: \$10)

Officers and Directors: Judith R. Myrer, Vice President; Roger A. Michaels, Secretary; Robert F. Rothschild, Treasurer; Nannette F. Rothschild.



Rowland Foundation, Inc.

P.O. Box 13  
Cambridge, MA 02138

Incorporated in 1960 in Delaware.

Donor(s): Edwin H. Land, Helen M. Land.

Purpose and Activities: Broad purposes. No grants to individuals or for building or endowment funds.

Financial Data (yr. ended 11/30/80): \$34,069,295 (M); gifts received, \$1,297,500; expenditures, \$694,141, including \$599,147 for 43 grants (high: \$55,000).

Officers: Edwin H. Land, President; Helen M. Land, Vice President and Treasurer; Philip DuBois, Vice President; Julius Silver, Secretary.

Trustees: Jennifer DuBois, Valerie Smallwood.

Contact:

Philip DuBois, Vice President.

Grant Application Information: Initial approach by letter; submit 1 copy of proposal; board meets as required.

Employer Identification No.: 046046756

Stearns (Artemas W.) Trust

c/o Clifford E. Elias  
316 Essex Street  
Lawrence, MA 01840  
(617) 686-3918

Trust established in 1896 in Massachusetts.

Donor(s): Artemas W. Stearns.

Purpose and Activities: Giving only in the greater Lawrence area, with emphasis on hospitals; for community projects, local colleges and secondary schools. No grants to individuals.

Financial Data (yr. ended 12/31/79): Assets, \$1,499,436 (M); expenditures, \$115,015, including \$100,520 for 23 grants (high: \$22,000; low \$500).

Trustees: Joseph F. Bacigalupo, Clifford E. Elias, Vincent P. Morton, Jr.

Contact:

Clifford E. Elias, Trustee.

Grant Application Information:

Initial approach by letter or full proposal in 3 copies; submit proposal preferably in January or February; application deadline March; board meets quarterly.

Employer Identification No.: 042137061

United States Steel Foundation, Inc.  
600 Grant Street, Room 6284  
Pittsburgh, PA 15230  
(412) 433-5238

Incorporated in 1953 in Delaware.

Donor(s): United States Steel Corporation, and certain subsidiaries.

Purpose and Activities: Support to higher education, primarily the private sector, including college and university development grants, special purpose grants, project assistance, manpower development grants, and support to educational associations; scientific and research grants, including capital, operating, project, and research support; civic and cultural grants for capital and operating needs; medicine and health grants for research, capital, and operating purposes; and national and community social services support, including united funds, American Red Cross and other voluntary agencies. No grants to individuals. Report published annually.

Financial Data (yr. ended 11/30/79): Assets, \$28,461,080 (M); gifts received, \$3,700,000; expenditures, \$6,441,329, including \$6,394,075 for 434 grants (high: \$830,000; low: \$50).

Officers: David M. Roderick, Chairman; William R. Roesch, President; Raymond D. Ryan, Vice President and Treasurer; G. O. Harrison, Vice President-Investments; James T. Hosey, Vice President and Executive Director; Bracy D. Smith, Vice President; Charles G. Schwartz, Secretary.

Trustees: William O. Beers, John D. De Butts, John H. Filer, Edwin H. Gott, Shearon Harris, Raymond H. Herzog, Charles F. Myers, Jr., Walter H. Page, Robert C. Scrivener, Mark Shepard, Jr., Donald B. Smiley, W. Bruce Thomas, Wilbert A. Walker, T. A. Wilson.

Contact:

James T. Hosey, Executive Director

Grant Application Information: Program policy statement and grant application guidelines available in annual report; initial approach by letter, submit 1 copy of proposal; board meets as required.

Identification No.: 136093185



A GUIDE TO STATE ACRONYMS

CARD  
Commercial Area  
Revitalization District (MA)

CDBG  
Community Development  
Block Grant (US)

CDFC  
Community Development  
Finance Corporation (MA)

CEDAC  
Community Economic Development  
Assistance Corporation (MA)

CEED  
Community Enterprise  
Economic Development (MA)

CEIP  
Coastal Zone Management (MA)

CZM  
Coastal Zone Management (MA)

DCS  
Division of Conservation Services (MA)

DMD  
Department of  
Manpower Development (MA)

DOT  
U.S. Department of Transportation

DPW  
Department of Public Works

DWPC  
Division of Water  
Pollution Control

EDA  
Economic Development  
Administration (US)

EOEA  
Executive Office of  
Environmental Affairs (MA)

FmHA  
Farmers Home Administration (US)

FHWA  
Federal Highway Administration (US)

FNMA  
Federal National  
Mortgage Association (US)

GNMA  
Government National  
Mortgage Association (US)

HUD  
U.S. Department of Housing and  
Urban Development

JTPA  
Job Training Partnership Act

MBDC  
Massachusetts Business  
Development Corporation

MCRC  
Massachusetts Capital  
Resource Corporation

MHC  
Massachusetts Historical Commission

MHFA  
Massachusetts Housing Finance Agency

MHMFA  
Massachusetts Home Mortgage Finance  
Agency

MIFA  
Massachusetts Industrial Finance  
Agency

MTDC  
Massachusetts Technology  
Development Corporation

NHS  
Neighborhood Housing  
Services



EOEA  
Executive Office of  
Economic Affairs (MA)

EOCD  
Executive Office of Communities  
and Development (MA)

EOTC  
Executive Office of Transportation  
and Construction (MA)

NSA  
Neighborhood Strategy Area (US)

SBA  
Small Business Administration (US)

UDAG  
Urban Development Action Grant (US)

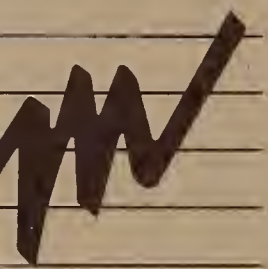
UMTA  
Urban Mass Transit Administration (US)











Massachusetts Office of  
Business Development

100 Cambridge Street  
Boston, MA 02202  
(617) 727-3221



The spirit of Massachusetts  
is the spirit of America.

Commonwealth of Massachusetts  
Michael S. Dukakis, Governor